

COUNTY OF YORK
YORK, PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2011

PREPARED BY THE OFFICE OF THE CONTROLLER

ROBERT P. GREEN, CONTROLLER

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 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2011

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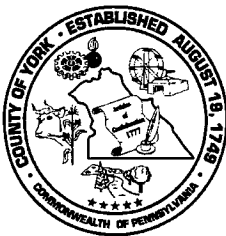
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Office of County Controller

Robert P. Green
Controller

Deborah K. Myers
Deputy Controller



28 East Market Street
Room 232
York, Pennsylvania 17401-1596
Voice 717-771-9616
Fax 717-771-4330

County of York, Pennsylvania

June 14, 2012

TO: THE COMMISSIONERS OF YORK COUNTY, PENNSYLVANIA

The Comprehensive Annual Financial Report (CAFR) regarding the County of York, Pennsylvania for the fiscal year ended December 31, 2011, is submitted herewith. This CAFR was prepared by the County Controller's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a clear understanding of the County's financial affairs have been included.

The organization, form and the contents of this CAFR, the accompanying financial statements, and the statistical tables were prepared in accordance with the standards established by the Governmental Accounting Standards Board (GASB), the Government Finance Officers Association (GFOA), the American Institute of Certified Public Accountants (AICPA), and the County Code of the Commonwealth of Pennsylvania.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A is a complement to this letter of transmittal and should be read in conjunction with it.

Profile of the Government

This CAFR includes all funds of the County. The County provides a full range of services. These services include the court system, prison, nursing home, 911 emergency operations center, and human service programs. Consistent with the guidance contained in GASB 39, "Determining Whether Certain Organizations are Component Units", an amendment of GASB 14, "The Reporting Entity", the criteria used by the County to evaluate whether additional entities should be included in the County's reporting entity as component units includes whether the County can impose its will on these entities and whether these entities bring the County financial benefit or burden. The component units included in the reporting entity are the York County Solid Waste and Refuse Authority (YCSWRA), the York County Industrial Development Authority (YCIDA), the York County Library System (YCLS), and the York County Planning Commission (YCPC).

The activities of the Fire Chiefs and Fire Fighters Association of York County (FCFFAYC), the Historical Society of York County (HSYC), the York County Convention and Tourist Bureau (YCTB), the York County Emergency Medical Services Training Institute (YCEMSTI), the York County Industrial Development Corporation (YCIDC), the York County Conservation District (YCCD), the York County Rail Trail Authority (YCRTA), the Penn State Cooperative Extension Service (PSCES), the York County Transportation Authority (YCTA), and the General Authority of Southcentral Pennsylvania (GASP) have not met the financial accountability criteria of GASB 39 and are accordingly excluded from this CAFR.

Other related organizations that have been excluded are the York County Private Industry Council (YCPIC), the York County Hospital Authority (YCHA), and the York County Air Transportation Authority (YCATA). The County Commissioners are responsible for appointing the members of the board for these organizations, but the County's accountability does not extend beyond making appointments.

Local Economy

Major industries located within the government's boundaries include information and professional services, wholesale and retail trade, manufacturing firms, education services, and health care. A diversity of industry and the proximity to Harrisburg, Baltimore, Washington, and Philadelphia in the northeastern corridor has helped in a dynamic economic growth.

The location of York County provides two bedroom communities. One community falls in the northern region and travels to Harrisburg for work and the southern region community travels to Baltimore. The County is seventh in the Commonwealth of Pennsylvania in new home construction, with the York/Hanover region growing at a fast pace.

As the National economy has fallen into decline, jobs have become scarce and company layoffs have increased. Although in the last year, York County has done better than most economies. The County's unemployment rate as of December 2011 was 7.1%, a decrease of 0.8% from December 2010's unemployment rate of 7.9%. The Commonwealth of Pennsylvania and National unemployment rates for December 2011 were 7.6% and 8.5%, respectively, which both decreased from 2010. York County was 0.5% lower than the State, and 1.4% lower than the National rate.

Jobs are important, but salary is also a large factor in where families will live. A large part of York County's growth is from the Baltimore area bringing with it higher housing and service costs. York County salaries are lower than the state average and the difference in the population growth rate between the county and the state has caused an even larger gap in salaries over the past decade. The County in the past has added jobs to adjust to the increase in population, but factors such as rising costs and the lack of increase in salaries determines what families can afford, where they will live, and work.

Long-term Financial Planning

Unassigned fund balance in the general fund was 9.0% of total general fund revenues at December 31, 2011. The County adopted a formal Fund Balance Policy in 2011 to be compliant with GASB Statement No. 54. York County is dedicated to maintaining a reasonable fund balance sufficient to mitigate current and future financial risks and to ensure stable tax rates. The policy allows the County to effectively react with existing resources to emergency situations and unanticipated events. It also limits the size of tax anticipation notes, maintains or improves a strong bond rating thereby reducing future interest expense, and exercises good fiscal management by permitting the development of a more responsible and responsive long-term financial plan. The County informally budgets to approximate breakeven revenues and expenses on an annual basis and to retain a consistent amount of unassigned fund balance from year to year. The County is not currently planning any significant increases in operations or major projects, other than those already in progress.

Relevant Financial Policies

For three consecutive years in a row, 2009, 2010 and 2011, budgetary guidelines were issued for all departments so that the County could keep the same level of service without increasing taxes. With the decline of the economy, the County of York did not want to place additional burden on the taxpayers. With the exclusion of salary increases, all departments were tasked with little or no increases in departmental expenditures.

In 2011, the County of York adopted a Debt Management Policy. The Debt Management Policy consists of guidelines and directives applicable to the ongoing financing of capital expenditures and tax anticipation borrowings. The objectives of the policy is to assure that the County incurs debt only when appropriate and with a long term perspective, to minimize interest rates and issuance costs associated with the debt, to minimize the length and total debt service cost over

the life of debt issue, and to preserve financing flexibility and debt capacity for future Boards of Commissioners.

Major Initiatives

Family Group Decision Making

Family Group Decision Making is an evidence-based approach that gives authority to and empowers families by allowing them to draw on family experiences, knowledge and resources to create and implement plans that provide for the safety, permanency and well-being of their family. York County has been very successful in utilizing this proven practice to achieve permanency, ensure safety, and reduce truancy at higher levels for children while ultimately reducing costs for the county by eliminating unnecessary placements. In 2010 York County began providing this service directly with even greater success. Bringing the service internally has led to a superior quality of service and increased accessibility to the Human Service agencies, resulting in better outcomes.

Conflict Attorney Panel

In 2010, the York County Court of Common Pleas, under the leadership of then President Judge Renn and Judge Thompson, implemented a Conflict Attorney Panel in order to reduce the escalating cost of third-party contracted special counsel fees. The County of York was incurring over \$1.2 million of special counsel fees annually for attorneys who represented indigent clients who could not be defended by the Public Defender's Office due to a conflict of interest. The panel is comprised of eleven attorneys assigned to handle criminal and juvenile delinquency cases and two attorneys to handle mental health related cases. Panel attorneys are compensated at an annual salary of \$38,000 and \$17,000 respectively, and are assigned a fixed number of cases on an annual basis. The implementation of the Conflict Attorney Panel has been instrumental in reducing Court appointed third-party attorney fees by approximately \$200,000 a year.

Work Release Facility

The County of York has long been recognized for its progressive alternative sentencing programs designed to avoid incarceration for non-violent offenders, rehabilitate inmates and reduce recidivism. Among the more effective programs has been the Prison Work Release program. Inmates who exhibit good behavior and demonstrate a willingness to integrate back into the community are given the opportunity to work outside the prison environment with partnering businesses and community organizations. With a current capacity of 150 inmates housed in a minimum security facility, the Work Release program cannot accommodate all those who wish to participate. To expand the program, the County has acquired a 36,000 sq. foot property adjacent to the Prison facility. A \$6.9 million renovation project is currently underway to reconfigure the property to house up to 300 work release inmates in a minimum housing arrangement that will also facilitate the necessary support and administrative functions.

York County Treatment Courts

The York County Treatment Courts started with the implementation of the Drug Treatment Court in 1997, followed by the Mental Health Treatment in 2005, DUO Treatment Court in 2010 and the Veterans' Treatment Court in 2012.

As of December 2011, 398 clients have graduated from a York County Treatment Court Program. In 2011 alone, over 10,587 jail days were saved, resulting in an overall cost savings of \$147,455 to the County. Seventy-five percent of the 2011 graduates were employed at the time of graduation. Sixty-one percent of the graduates paid in full their costs and restitution, with the remaining graduates locked into payment plans with the County of York. The recidivism rate is 26%, which is dramatically less than the national average. Clients are required to have their high school diploma, a GED, or basic reading skills in order to graduate. Intangible benefits for the graduates include reunification with their families, including their children, and becoming a productive, positive member of society.

The Drug Treatment Court was selected by the National Drug Court Institute as one of ten National Mentor Courts in the Nation and provides training to courts which are starting such a court.

Veterans Court

Resulting from our military operations in Iraq and Afghanistan, an estimated 550,000 Veterans under the age of 25 suffer from a substance abuse or mental health disorder; and these diagnoses have increased nearly 40 percent since 2004. Left untreated, they can directly lead to homelessness and involvement in the criminal justice system. Courts around the country are reporting an increase in the number of Veterans they are seeing and, in response, are creating Veterans Treatment Courts. Veterans Treatment Courts are hybrid Drug and Mental Health Courts that recognize the unique military culture while addressing distinct Veteran issues, such as Post-traumatic Stress Disorder, Traumatic Brain Injury, and Military Sexual Trauma.

The Veterans Treatment Court seeks to divert eligible veteran-defendants with substance dependency and/or mental illness that are charged with a criminal offense to a specialized criminal court docket. Veterans are identified through screening and assessments. The veterans voluntarily participate in a judicially supervised treatment plan that a team of court staff, veteran health care professionals, veteran peer mentors, Alcohol & Drug health care professionals and mental health professionals develop with the veteran. Upon successful completion of the program, pending charges may be reduced or dropped, depending on their severity.

DUI Court Expansion

In early 2011, the Criminal Justice Advisory Board (CJAB) at the request of President Judge Stephen Linebaugh decided to make the management of DUI cases a priority because they represent one third of our criminal case load.

The CJAB formed a coalition of stakeholders including, the County Commissioners, Court of Common Pleas Judges, District Court Judges, Court Administration, the Clerk of Courts, the District Attorney's Office, the Public Defender's Office, the Probation Department, the York

County Prison, York/Adams Drug and Alcohol, the Sheriff's Office, the York County Police Chiefs Association and various other law enforcement agencies. CJAB's review of the problem revealed that approximately 25% of offenders were repeat offenders. A closer look at these cases also revealed an opportunity to focus on improving public safety and providing these offenders with an opportunity for treatment. All individuals stopped for DUI are screened and if they are repeat offenders, they will be fitted with an alcohol monitoring bracelet within days of their stop. The wearing of this bracelet and staying alcohol free will be a condition of their bail.

The previous procedure allowed defendants to remain free without restriction until they were sentenced. Our experience has been that most of these folks will candidly admit that without the bracelet they would have continued to drink and drive. With the new program, each individual is also required as a condition of bail to obtain a drug and alcohol evaluation and comply with treatment.

Bankruptcy Trustee Hearings

The Bankruptcy Trustee Program was established by the United States Department of Justice in the 1970's for the purpose of having people who filed Bankruptcy appear before an appointed Trustee to answer questions regarding their financial circumstances and ability to pay debt. Those hearings have been conducted in the past in the York County Judicial Center, and since January 1, 2012, are now being conducted in the York County Administration Center.

By conducting these hearings locally, those York County residents who have filed for Bankruptcy, as well as their attorneys, are allowed to attend the hearing within York County instead of having to travel to Harrisburg to appear at a hearing in the Federal Building. Not only is this a significant convenience for the residents of York County, but it is a more cost effective and efficient way of handling these hearings. The savings on gas is considerable.

All of this results in better service to the York County residents who are already facing significant financial hardships, as most Bankruptcies are caused by job loss, illness and divorce, with the resulting foreclosures and loss of other assets.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of York for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2010. This is the twentieth consecutive year that York County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

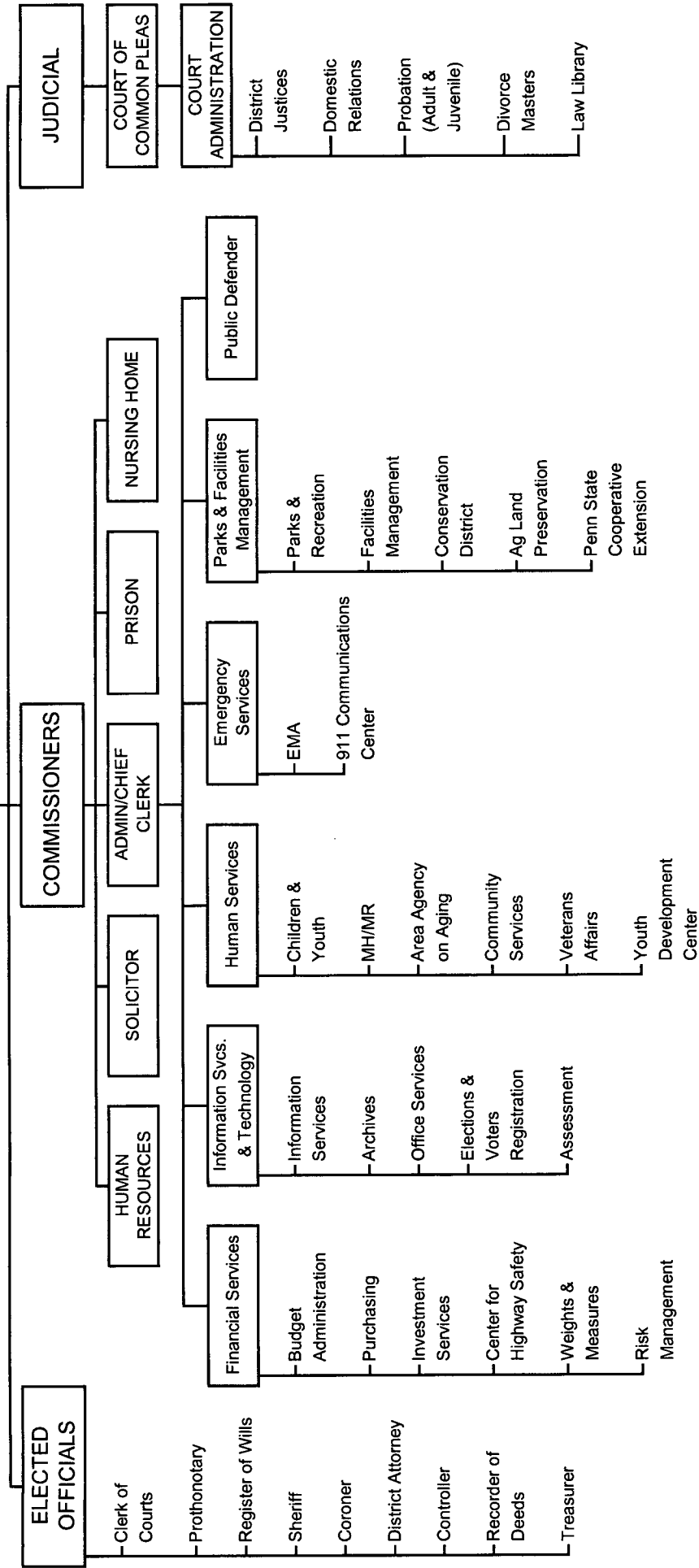
The completion of this CAFR represents the twenty-first time York County has prepared such a report and demonstrates a commitment to continue the excellence in financial reporting previously recognized. It could not have been completed in such a comprehensive manner, nor on a timely basis, without the input and support from a number of people whom I wish to acknowledge and express my thanks and appreciation to now: Felicia Dell, Director of the York County Planning Commission; John Fedor, Director/Chief Assessor of the York County Assessment Office; the York County school districts and local municipalities and especially to Deborah Myers, Deputy Controller, and all the employees on my staff who have contributed on a daily basis to making this report possible.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. P. Green', with a large, stylized loop at the end.

Robert P. Green
Controller

YORK COUNTY GOVERNMENT VOTERS



YORK COUNTY OFFICIALS

December 31, 2011

JUDICIARY COURT OF COMMON PLEAS

PRESIDENT JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

JUDGE

HONORABLE STEPHEN P. LINEBAUGH

HONORABLE JOSEPH C. ADAMS

HONORABLE PENNY L. BLACKWELL

HONORABLE MICHAEL E. BORTNER

HONORABLE JOHN H. CHRONISTER

HONORABLE SHERYL ANN DORNEY

HONORABLE THOMAS H. KELLEY, VI

HONORABLE JOHN S. KENNEDY

HONORABLE MARIA MUSTI COOK

HONORABLE HARRY M. NESS

HONORABLE RICHARD K. RENN

HONORABLE GREGORY M. SNYDER

HONORABLE JOHN W. THOMPSON, JR.

ELECTED COUNTY OFFICIALS

COUNTY COMMISSIONER, CHAIRPERSON

COUNTY COMMISSIONER

COUNTY COMMISSIONER

COUNTY CONTROLLER

COUNTY CORONER

COUNTY TREASURER

RECORDER OF DEEDS

REGISTER OF WILLS

CLERK OF COURTS

PROTHONOTARY

SHERIFF

DISTRICT ATTORNEY

M. STEVEN CHRONISTER

CHRISTOPHER B. REILLY

P. DOUGLAS HOKE

ROBERT P. GREEN

BARRY L. BLOSS

BARBARA L. BAIR

RANDI L. REISINGER

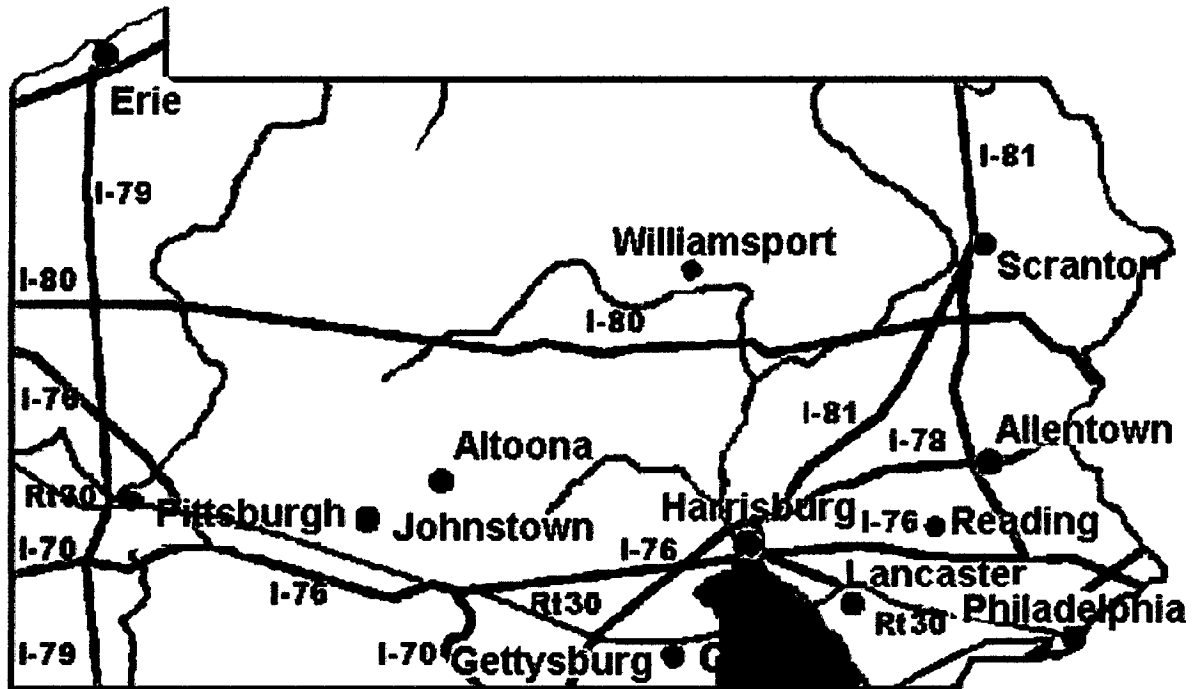
BRADLEY C. JACOBS

DONALD R. O'SHELL, JR.

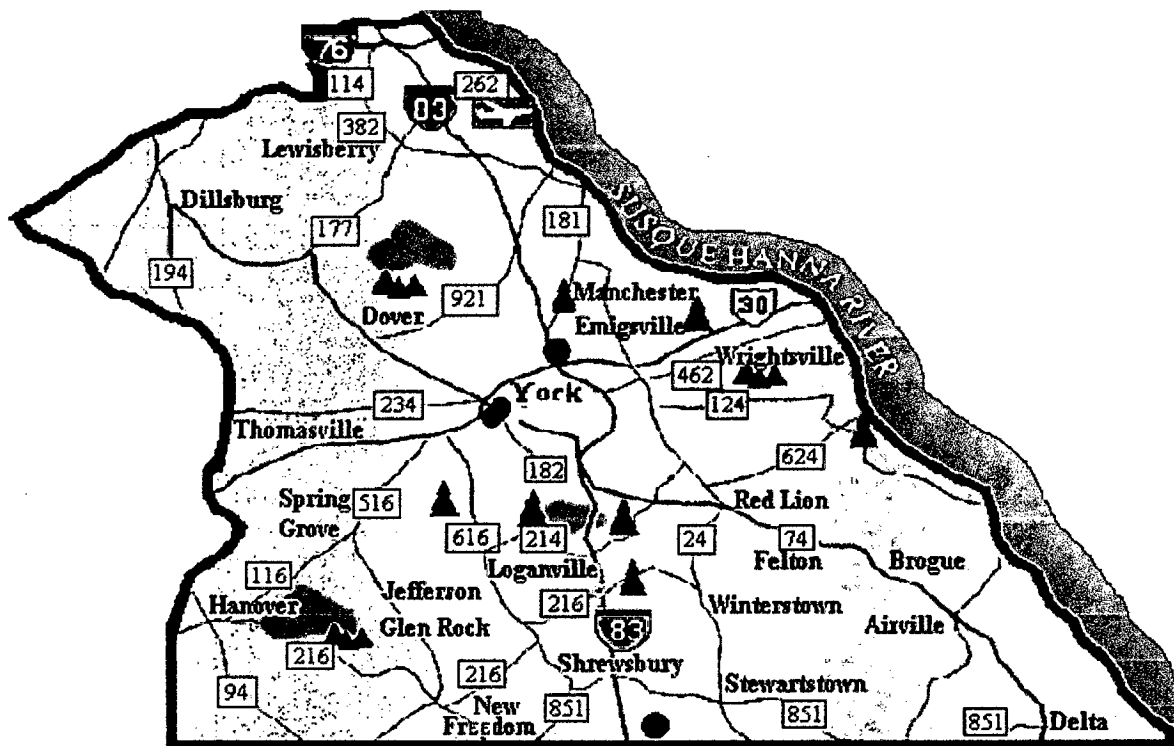
PAMELA S. LEE

RICHARD P. KEUERLEBER, III

THOMAS L. KEARNEY



COMMONWEALTH OF PENNSYLVANIA



YORK COUNTY

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**County of York
Pennsylvania**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Sanison

President

Jeffrey R. Emer

Executive Director

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Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT

County Commissioners
County of York
York, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of and for the year ended December 31, 2011, which collectively comprise the COUNTY OF YORK's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the COUNTY OF YORK's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented component units' financial statements for the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, and the York County Planning Commission, which represent 99.2%, 99.2%, and 89.4% of the assets, net assets, and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those aggregate discretely presented component units, is based upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, and the York County Library System were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF YORK, as of December 31, 2011, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Harrisburg	Lehigh Valley	Philadelphia	Pittsburgh
830 Sir Thomas Court, Suite 100 Harrisburg, PA 17109 717.561.9200 Fax 717.561.9202	1101 West Hamilton Street Allentown, PA 18101-1043 610.871.5077 Fax 717.561.9202	2370 York Road, Suite A-5 Jamison, PA 18929 215.918.2277 Fax 215.918.2302	3800 McKnight E. Drive, Suite 3805 Pittsburgh, PA 15237 412.367.7102 Fax 412.367.7103

Zelenkofske Axelrod LLC

County Commissioners
County of York
York, Pennsylvania

As described in Note 1 to the financial statements, in 2011 the COUNTY OF YORK adopted the provisions of Governmental Accounting Standards Board's Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*" and Statement No. 59, "*Financial Instruments Omnibus*".

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2012 on our consideration of the COUNTY OF YORK's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of employer contributions and funding progress, schedule of funding progress for postemployment benefits other than pensions, and budgetary comparison schedules on pages 17 through 29, page 118, page 119, and pages 120 through 124 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF YORK's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and budget and actual schedules, and statistical section are presented for the purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and budget and actual schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including

Zelenkofske Axelrod LLC

County Commissioners
County of York
York, Pennsylvania

comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
June 14, 2012

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County of York, Pennsylvania

Management's Discussion and Analysis

Introduction

The following discussion and analysis of the County of York's financial statements provides an overview of the financial performance for the fiscal year ended December 31, 2011. It is recommended that it be read in conjunction with the basic financial statements and the accompanying notes to those statements in order to obtain a thorough understanding of the County of York's financial condition as of December 31, 2011. Certain reclassifications were made to prior year amounts to conform to the current year presentation.

Financial Highlights

- The County had \$191,141,023 of governmental activities general obligation debt outstanding as of December 31, 2011. This represents an increase of \$3,074,689 or 1.6% from the previous year. The increase pertains to debt issued of \$7.0 million that was offset by principal payments of \$4.0 million. Business-type activities general obligation debt decreased as a result of principal payments in the amount of \$1.6 million. As of December 31, 2011, the business-type activities general obligation debt outstanding was \$48,634,383.
- The assets of the County's governmental activities exceeded its liabilities as of December 31, 2011 by \$39,593,040 (net assets). Of this amount, there was a deficit of unrestricted net assets of \$40,114,063.
- York County's total primary government net assets decreased by \$20.5 million. Net assets of the governmental activities decreased by \$21.1 million or 34.8%. \$10.8 million related to the decrease in the fair market value of investment derivatives, \$3.1 million for the increase in the general obligations debt, \$3.0 million for the annual required contribution that was not funded for OPEB benefits in the current year and \$0.6 million for the unfunded annual required contribution (ARC) to the pension plan. The remaining decrease is further detailed on page 21 of this MD&A. The net assets of the business-type activities increased by \$0.6 million or 6.2%. The increase was due primarily to the reduction of general obligation debt and liability for workers' compensation of \$1.6 million and \$0.6 million, respectively, offset by \$1.4 million annual required contribution that was not funded for OPEB benefits in the current year.
- At the end of the fiscal year, York County's governmental funds reported combined ending fund balances of \$41,337,497 a decrease of \$4,877,633 in comparison with the prior year. Approximately 34.1% of this total amount, \$14,116,626 is available for spending at the government's discretion (unassigned fund balances) within the boundaries set forth in the governmental fund's purpose, which is consistent with prior years. The majority of this decrease is reflected in the General Fund (\$4,741,115 or 12.8% decrease from the prior year) resulting from higher expenditures and transfers out.

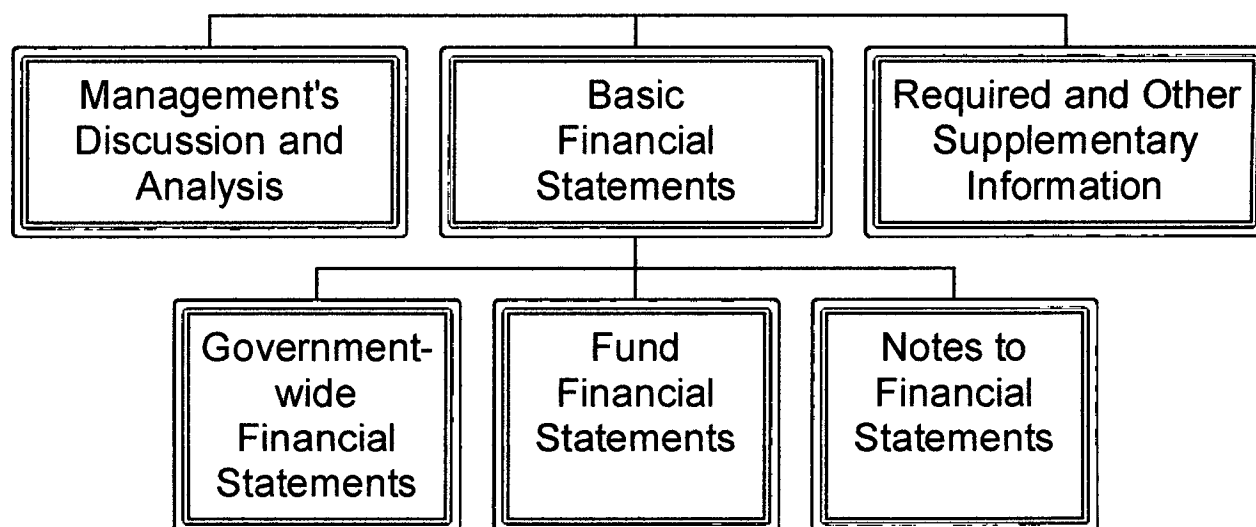
Financial Highlights (Continued)

- At the end of the fiscal year, unassigned fund balance for the General Fund was \$14,823,744 or 8.8% of total General Fund expenditures and transfers out.

Overview of the Financial Statements

This discussion and analysis (MD&A) section serves as an introduction to the basic financial statements and provides an analysis and overview of the County's financial activities. The basic financial statement includes three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required and other supplementary information.

Required Components of the Comprehensive Annual Financial Report



Government-Wide Financial Statements

The government-wide financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Assets and Statement of Activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The Statement of Net Assets presents the County's total assets and liabilities with the difference reported as net assets. Over time, increases or decreases in the net assets may serve as a gauge as to whether the financial position of the County is improving or deteriorating.

Government-Wide Financial Statements (Continued)

The Statement of Activities presents information showing the change in the County's net assets during the current fiscal year. All revenues and expenses are reported in this statement regardless of the timing of cash flows. The focus of this statement is on the net cost of providing various activities to the citizens of the County.

Both the Statement of Net Assets and the Statement of Activities have separate sections for the two different types of primary government activities, as well as activities of the County's discretely presented component units. These two types of primary government activities are:

Governmental activities – The activities reflected in this section are general government; public safety; roads and bridges; health, education and welfare; judicial; cultural and recreation; and conservation and community development. These activities are mostly supported by operating grants and contributions, capital grants and contributions, charges for services, real estate taxes, and departmental revenues.

Business-type activities – These activities include the nursing home and 911 operations. These activities are intended to recover their cost of operation, including depreciation, primarily through user charges.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's funds with an emphasis on major funds, not the County as a whole. Funds are accounting groups that the County uses to keep track of specific sources of funding and spending for particular purposes. State law requires some activities to be accounted for in separate funds, while other funds are established to control and manage resources restricted or committed for specific purposes.

The County has three types of funds:

- Governmental funds – Most of the County's basic services are included in governmental funds, which focus on: 1) the flow of cash and other financial assets that can readily be converted into cash, and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the financial resources available in the near future to finance the County's programs.
- Enterprise funds – Used to report the same functions presented as business-type activities in the government-wide financial statements that provide services for the County's other programs and activities. The County reports two enterprise funds, the nursing home and 911 operations. Both funds are considered major funds.
- Fiduciary funds – The County is the trustee, or fiduciary, for its employees' pension plan. In addition, the County is also responsible for an agency fund, which represents clearing accounts for assets held by the County in its role as custodian until the funds are allocated to the private parties, organizations or government agencies to which they belong.

Fund Financial Statements (Continued)

The County is responsible for ensuring that the assets reported in the fund are used for their intended purpose. All of the County's fiduciary assets and liability balances are reported in the statement of fiduciary net assets. A statement of changes in fiduciary net assets is presented for the pension trust fund only. All fiduciary activities are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

Financial Analysis of the County as a Whole

This is the tenth year that the County has presented its financial statements using the reporting model required by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis (MD&A) – for State and Local Governments*. Because this reporting model significantly changes both the recording and presentation of financial data, this is the ninth year that the County can provide a comparative analysis of financial data for the MD&A.

Net Assets

The following table presents the County's Net Assets at December 31:

	Governmental Activities		Business-Type Activities	
	2011	2010	2011	2010
	(\$ in millions)			
Assets				
Capital assets, net	\$ 235.6	\$ 233.9	\$ 66.2	\$ 68.4
Other assets	90.8	94.2	8.5	5.5
Total assets	326.4	328.1	74.7	73.9
Liabilities				
Current liabilities	67.1	54.6	4.4	3.3
Long-term liabilities	219.7	212.8	60.0	60.9
Total liabilities	286.8	267.4	64.4	64.2
Net assets				
Invested in capital assets, net of related debt	70.1	72.0	16.4	16.6
Restricted	9.6	7.9	3.2	1.7
Unrestricted	(40.1)	(19.2)	(9.3)	(8.6)
Total net assets	\$ 39.6	\$ 60.7	\$ 10.3	\$ 9.7

Financial Analysis of the County as a Whole (Continued)

The County derives its revenues from property taxes which the County imposed a real estate millage rate that remained constant at 4.15 mills. Total real estate assessed values increased by 0.9% for 2011. In 2011, property tax revenue increased by \$1,170,713 or 1.1%.

Net assets of the County of York's governmental activities decreased by \$21.1 million or 34.8% (\$39.6 million compared to \$60.7 million). The majority was a result of the decrease in the fair market value of investment derivatives by \$10.8 million. \$3.1 million came from an increase in general obligation debt and another \$3.0 million of the decrease related to the amount of the annual required contribution that was not funded for OPEB benefits in the current year. \$0.6 million of the decrease was due to unfunded annual required contribution (ARC) to the pension plan. The remaining \$3.7 million of the decrease was primarily due to increased transfers to business-type activities and various other items.

Governmental Activities unrestricted net assets—the part of net assets that can be used to finance the day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—changed from \$(19.2) million at December 31, 2010 to \$(40.1) million at the end of this year.

The net assets of our business-type activities increased by \$0.6 million or 6.2% (\$10.3 million compared to \$9.7 million). The majority of the increase was related to higher revenues and transfers over operating expenses for the 911 operations in the amount of \$0.8 million. The Nursing Home had a decrease of \$0.2 million. Unrestricted net assets of business-type activities further deteriorated from a negative \$8.6 million in 2010 to a negative \$9.3 million in 2011.

York County's total assets as of December 31, 2011 are \$401.1 million, a decrease of \$0.9 million. Capital assets decreased \$0.5 million totaling \$301.8 million, which includes infrastructure. The minimal decrease is primarily due to higher depreciation costs than new assets being purchased. Long-term liabilities increased \$6.0 million totaling \$279.7 million. \$4.4 million was due to current year OPEB cost in excess of payments made, unfunded (ARC) pension liability of \$0.7 million, increase of general obligation debt of \$1.5 million, and offset by a reduction of \$1.0 million for payments made against the litigation liability.

Financial Analysis of the County as a Whole (Continued)

Changes in Net Assets

The following table presents the County's Changes in Net Assets for the Years ended December 31:

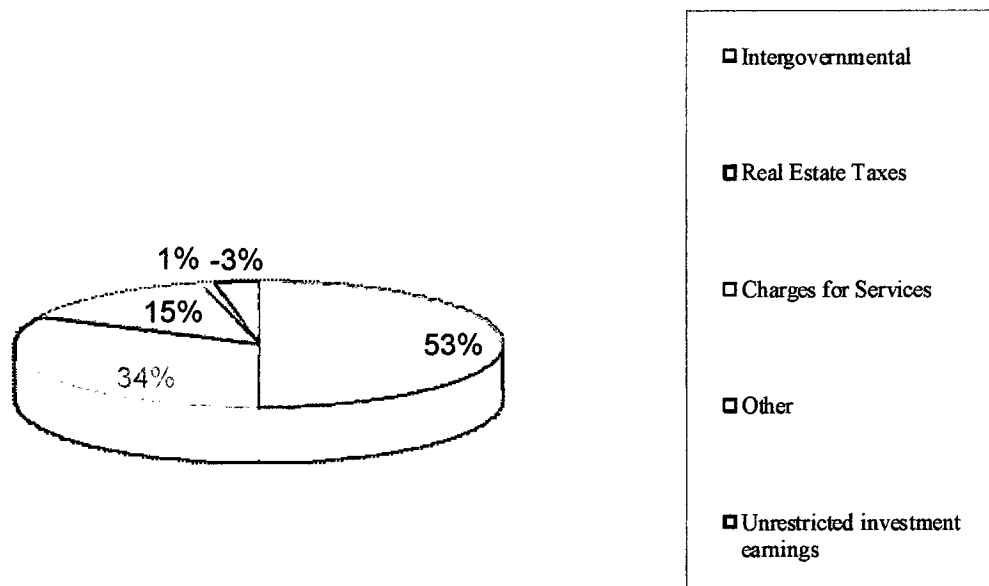
	Governmental Activities		Business-Type Activities	
	2011	2010	2011	2010
	<i>(\$ in millions)</i>			
Revenue				
Program revenues:				
Charges for services	\$ 47.3	\$ 46.3	\$ 38.7	\$ 40.4
Operating grants and contributions	170.1	173.8	-	-
Capital grants and contributions	1.8	4.6	0.2	-
General revenues:				
Real estate taxes	110.4	109.2	-	-
Other	1.6	3.6	-	-
Unrestricted investment loss	(10.6)	(10.8)	-	-
Hotel taxes	1.6	1.3	-	-
Total revenues	<u>322.2</u>	<u>328.0</u>	<u>38.9</u>	<u>40.4</u>
Expenses				
General government	13.6	14.6	-	-
Public safety	64.0	60.7	-	-
Roads and bridges	1.7	1.2	-	-
Health, education and welfare	178.2	178.0	-	-
Judicial	41.6	40.3	-	-
Cultural and recreation	7.4	6.9	-	-
Community development	12.9	14.9	-	-
Interest expense	5.8	3.8	-	-
Nursing home	-	-	41.0	39.9
911 operations	-	-	15.4	14.7
Total expenses	<u>325.2</u>	<u>320.4</u>	<u>56.4</u>	<u>54.6</u>
Increase (decrease) in net assets before transfers	(3.0)	7.6	(17.5)	(14.2)
Transfers	(18.1)	(13.5)	18.1	13.5
Change in net assets	(21.1)	(5.9)	0.6	(0.7)
Net assets – beginning	60.7	66.6	9.7	10.4
Net assets – ending	<u>\$ 39.6</u>	<u>\$ 60.7</u>	<u>\$ 10.3</u>	<u>\$ 9.7</u>

Financial Analysis of the County as a Whole (Continued)

Governmental Activities

The following chart graphically depicts the sources of revenues for the fiscal year ended December 31, 2011:

Sources of Revenues Total Revenues of \$322.2 Million



Total government-wide revenues of \$322.2 million were derived primarily from intergovernmental grants, representing 53% of the total. Intergovernmental grants accounted for \$171.9 million. The second largest source of revenue came from real estate taxes of \$110.4 million, which comprised 34% of the total. Revenue to house INS detainees and state boarding of prisoners accounted for 48% of the \$47.3 million in charges for services, which represented 15% of total revenues, followed by unrestricted investment loss of \$10.6 million. Hotel tax accounted for \$1.6 million of the \$3.2 million of other revenues.

Total revenues decreased by \$5.8 million during 2011. The majority of the decrease came from operating grants and contributions of \$3.7 million, due to the reimbursement rates dropping for individuals on medical assistance program for York Health Choice and Adams Health Choices of \$2.4 million and \$1.3 million respectively. Capital Grants and Contributions also decreased by \$2.8 million of which \$2.0 million related to the ARRA Energy Efficiency grant being completed.

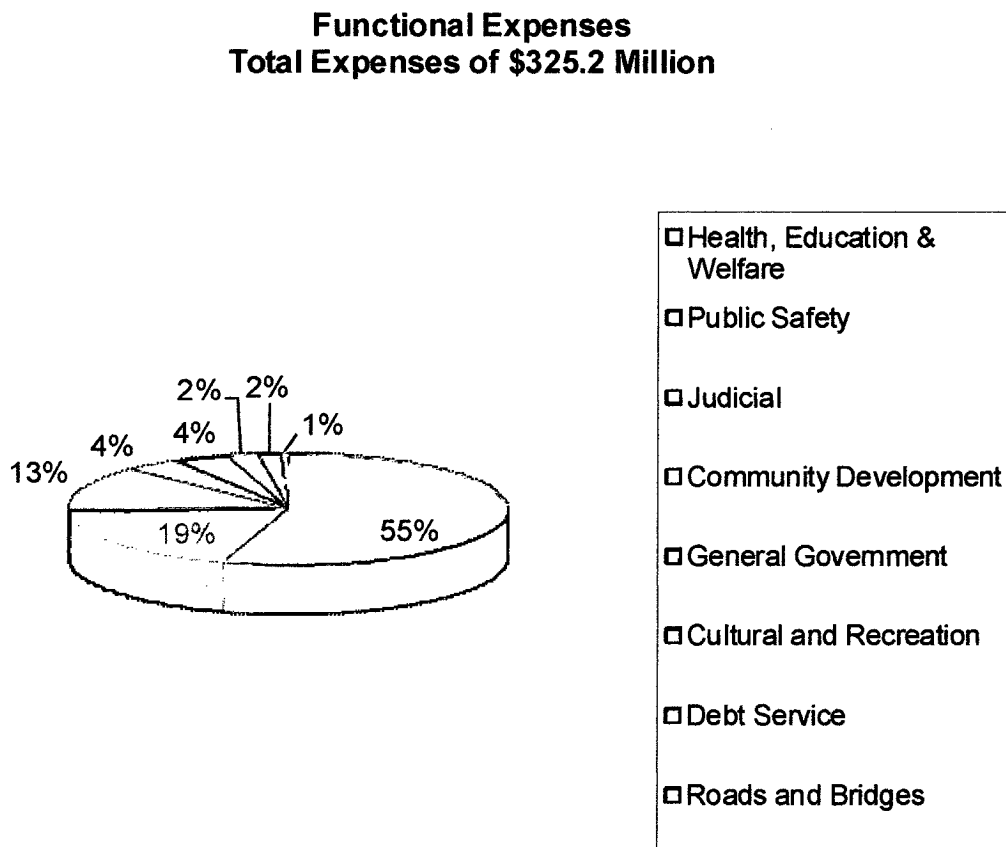
Financial Analysis of the County as a Whole (Continued)

Business-Type Activities

Total business-type revenues of \$38.9 million, decreased \$1.5 million from 2010, were derived from charges for sales and services from the County Nursing Home of \$32.0 million, capital grants and contributions from the County Nursing Home of \$0.2 million, and telephone surcharge revenues from 911 operations of \$6.7 million. The County Nursing Home revenues decreased by \$2.0 million from lower occupancy rates. 911 revenues increased by \$0.5 million which was due to an increase in additional wireless funding.

Governmental Activities

The following chart graphically depicts the functional expenses for the fiscal year ended December 31, 2011:



Financial Analysis of the County as a Whole (Continued)

Governmental Activities (Continued)

Total expenses in 2011 were \$325.2 million. The expenses cover a wide range of services, with health, education, and welfare being the largest at \$178.2 million comprising 55% of total expenses. Within health, education, and welfare; Human services, Children and Youth, and MH/MR had the largest expenses at \$93.8 million, \$42.1 million, and \$29.8 million, respectively. The second largest category is public safety at \$64.0 million comprising 19% of total expenses. The other categories are as follows: judicial at \$41.6 million, community development at \$12.9 million, general government at \$13.6 million, cultural and recreation at \$7.4 million, interest expense at \$5.8 million, and roads and bridges at \$1.7 million.

Expenditures increased in 2011 by \$4.8 million which represented only a 1.5% increase. The majority of the increase came from Public Safety which accounted for \$3.3 million. The second largest increase was interest expense at \$2.0 million.

Business Type Activities

Total expenses in 2011 were \$56.4 million, an increase of \$1.8 million from 2010. The County nursing home comprised 72.7% of the total, having total operating and administrative expenses of \$41.0 million, which included depreciation expense of \$0.9 million. The 911 operations incurred \$15.4 million in total expenses, which included bond interest expense of \$2.0 million and depreciation expense of \$2.1 million. Expenditures increased primarily due to the increase in salary and fringe benefit expense.

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The following funds are considered the County's major governmental funds: the General Fund, York HealthChoices Management Fund, Mental Health/Mental Retardation Fund, Children and Youth Fund, and Community Development Block Grant Fund. For the fiscal year ended December 31, 2011, the County of York governmental funds had a combined ending fund balance of \$41.3 million, a decrease of \$4.9 million from fiscal year 2010.

Financial Analysis of the County's Funds (Continued)

Governmental Funds (Continued)

The General Fund is the primary operating fund of the County of York. The General Fund had a fund balance of \$32.3 million, a decrease of \$4.7 million. The General Fund had an excess of revenues over expenditures of \$25.5 million for 2011 before other financing sources/(uses). General Fund net transfers out of (\$30.2) million accounted for all of the other financing sources/(uses).

The decrease in General Fund revenues from the prior year was insignificant. The General Fund had transfers out of \$30.3 million which represented an increase of \$6.9 million. The majority of the increase related to the Enterprise Funds of \$4.5 million. The Nursing Home accounted for 84.4% or \$3.8 million of the increase. The General Fund transferred a total of \$8.5 million to the Nursing Home in 2011. The 911 Fund was \$0.7 million higher than the 2010 amount of \$8.8 million. Transfers to the Children & Youth Fund increased by \$1.8 million due to increased level of placement for children.

The General Fund supplements the Children and Youth Fund and the Mental Health/Mental Retardation Fund through transfers for the amount of the fund's expenditures in excess of their revenues. The General Fund transfer to the Children and Youth Fund in 2011 was \$9.8 million. Mental Health/Mental Retardation Fund had transfers in from the General Fund of \$0.9 million.

The Children and Youth Fund had expenditures of \$42.5 million in 2011 compared to \$39.1 million in 2010. Higher expenditures of \$3.4 million was due primarily to an increased level of placements for children in 2011 compared to 2010 fiscal year.

The Community Development Block Grant Program revenues and expenditures decreased by \$3.9 million primarily due to fewer projects incurred expenditures for the neighborhood stabilization and community development block grant programs.

The fund balance for Other Nonmajor Funds decreased from \$9.2 million in 2010 to \$9.1 million in 2011. The Capital Projects Fund is now considered a nonmajor fund.

Enterprise Funds

The County's enterprise funds provide the same type of information found in the government-wide financial statements but in more detail.

Financial Analysis of the County's Funds (Continued)

Enterprise Funds (Continued)

As of December 31, 2011, the net assets (deficit) of the County's nursing home amounted to \$(4.5) million and those for 911 operations amounted to \$14.8 million. The nursing home's net assets decreased by \$0.2 million due to the program not generating enough revenue to cover operating costs for the Nursing Home. Other factors concerning the finances of these two funds reflect those highlighted in the analysis of the County's business-type activities.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, amounted to \$301.8 million as of December 31, 2011. This represented a decrease of \$0.5 million, or 0.2% over the previous year's total of \$302.3 million. Capital assets consist primarily of land; buildings and improvements; furniture, fixtures and equipment; construction in progress; easements; and infrastructure. Infrastructure consists of bridges, roads, and the rail trail. The following is a summary of capital assets as of December 31:

	Governmental Activities		Business-Type Activities		Balance as of December 31	
	2011	2010	2011	2010	2011	2010
Land	\$ 53,210,552	\$ 53,144,964	\$ 260,065	\$ 260,065	\$ 53,470,617	\$ 53,405,029
Construction in progress	4,021,954	7,104,570	607,653	30,518,636	4,629,607	37,623,206
Buildings and improvements	202,683,565	194,628,288	37,608,303	37,282,408	240,291,868	231,910,696
Leasehold assets	-	-	997,500	997,500	997,500	997,500
Furniture, Fixtures, and Equipment	14,702,670	12,943,031	50,506,690	20,166,388	65,209,360	33,109,419
Easements	17,977,571	17,717,054	-	-	17,977,571	17,717,054
Bridges, roads and rail trail	23,229,887	22,091,163	-	-	23,229,887	22,091,163
Less accumulated depreciation	(80,228,721)	(73,688,578)	(23,787,151)	(20,850,069)	(104,015,872)	(94,538,647)
Total capital assets, net	\$ 235,597,478	\$ 233,940,492	\$ 66,193,060	\$ 68,374,928	\$ 301,790,538	\$ 302,315,420

Governmental activities decreased construction in progress by \$3.1 million. The majority of the decrease related to the completion of the Human Service Center renovations and the ARRA energy project of \$5.0 million and \$2.8 million, respectively, which in turn increased buildings and improvements for governmental activities. The County continues its plan to purchase Magisterial District offices. During 2011, two more offices were purchased and renovated which accounted for \$0.8 million increase in construction in progress. The County also started renovations to the prison which increased construction in progress by \$1.7 million. Furniture, Fixtures and Equipment increased by \$1.8 million which included the purchase of 19 vehicles at \$0.8 million and furniture for the Human Services Center at \$0.5 million.

The County business-type activities decreased construction in progress by \$29.9 million. The completion of the radio communications project accounted for a \$30.2 million reduction to construction in progress and an increase in furniture, fixture, and equipment by that same amount.

Financial Analysis of the County's Funds (Continued)

Long-Term Debt

As of December 31, 2011, the County had \$239,775,406 of general obligation debt outstanding. This was an increase of \$1.5 million, or 0.6% from the previous year. The following details activity related to general obligation bonds during 2011:

	Governmental Activities	Business-Type Activities
Beginning balance at January 1, 2011	\$ 188,066,334	\$ 50,258,666
Debt issued	7,037,755	-
Less principal payments	(3,963,066)	(1,624,283)
Ending balance at December 31, 2011	<u>\$ 191,141,023</u>	<u>\$ 48,634,383</u>

Bond Rating

All bonds issued carry a municipal bond insurance policy from FSA, which assures payment of the respective principal and interest to the registered owners of the bonds. All bonds issued are rated AA by Standard & Poor's' Rating Services.

More detailed information concerning long-term debt activity and capital asset activity is disclosed in Note 7 and Note 6, respectively, of the financial statements.

General Fund Budgetary Highlights

The Board of Commissioners reviews statements of operations and budget reports on a monthly basis. The Board of Commissioners approved a few minor amendments to the original budget and the Board also monitors revenues and expenditures for any variances during the year.

Department directors also review budget reports on a monthly basis and provide justification to the Board of Commissioners for any variances and will provide budget adjustments within their respective departments.

The County had a few minor amendments to the original 2011 revenue budget. Actual revenue received totaled \$163.9 million or 101.3% of the final budget. Departmental revenues contributed to a majority of the variance in which maintenance of prisoners and maintenance of children in shelter and detention was higher by \$1.3 million and \$0.6 million respectively.

The County had a few minor amendments to the original 2011 expenditure budget. Actual expenditures totaled \$138.4 million or 95.4% of the final budget. A positive variance for debt service expenditures of \$2.8 million accounted for a majority of the variance along with General Government's favorable variance of \$2.2 million.

Actual transfers out totaled \$30.3 million or 158.67% of the final budget. The negative variance is due to increased transfers to the business-type activities and to the Children & Youth Fund.

Economic Factors and Next Year's Budget and Rates

The key economic factors affecting the County include the following:

- The County's real estate millage rate remained the same at 4.15 mills.
- The County's general fund budgeted expenses will increase \$5.9 million.
- The rising wage and medical health care costs.
- The County budgeted \$10.0 million for the annual required contribution to the retirement fund.
- \$3.4 million of unrestricted fund balance will be used to balance the budget.

The County's General Fund has been growing at a pace approximating 4.8% per year or almost \$6.2 million annually. The year-over-year increases can be attributed to four specific areas: (1) growth in manpower costs to meet increasing customer demand for services; (2) rising cost of employee benefits including health and retirement; (3) increased operating costs for materials and services; and (4) capital project debt service costs related to new facilities and systems. The County's employee benefits are budgeted at \$34.2 million with 44 positions being added to the workforce. Health care costs still continue to increase but the County is trying to maintain an increased rate of only 8.0% for 2012. Government administration budgeted expenses decreased by \$2.0 million. The court system and public safety budgeted expenses increased \$4.2 million, which includes court and court related functions, corrections, and public safety. The County's budget for 2012 reflects the annual required retirement contribution to be approximately \$10.0 million, which is \$1.5 million less than the ARC.

These factors were considered in preparing the County's 2012 budget. Amounts available for appropriation in the general fund budget are \$178.5 million.

Contacting the County's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the County of York's finances and to demonstrate the County's accountability. Questions concerning this report or requests for additional information should be directed to:

**County of York
Controller's Office
28 East Market Street, Room 232
York, PA 17401-1596**

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BASIC FINANCIAL STATEMENTS

County of York, Pennsylvania

Statement of Net Assets

December 31, 2011

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and cash equivalents	\$ 23,222,197	\$ 103,415	\$ 23,325,612	\$ 4,032,821
Receivables:				
Taxes, net	3,966,634	-	3,966,634	-
Accounts	13,435,876	5,740,973	19,176,849	13,966,322
Due from other governments	7,550,570	50,823	7,601,393	1,200,000
Loan and note	12,443,854	-	12,443,854	498,107
Internal balances	1,494,134	(1,494,134)	-	-
Investments	10,754,792	-	10,754,792	5,775,447
Bond issuance costs, net	559,192	440,840	1,000,032	-
Restricted cash	5,808,129	3,632,532	9,440,661	3,340,604
Restricted investments	8,848,811	-	8,848,811	143,168,501
Other assets	2,709,503	59,986	2,769,489	1,721,288
Capital assets not being depreciated	75,210,077	867,718	76,077,795	16,806,681
Capital assets being depreciated, net of depreciation	160,387,401	65,325,342	225,712,743	44,802,889
Total assets	<u>\$ 326,391,170</u>	<u>\$ 74,727,495</u>	<u>\$ 401,118,665</u>	<u>\$ 235,312,660</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 24,994,337	\$ 3,402,371	\$ 28,396,708	\$ 2,269,248
Due to other governments	668,896	-	668,896	-
Deposits held in escrow	6,242,576	435,868	6,678,444	-
Accrued interest payable	1,149,772	196,960	1,346,732	-
Unearned revenue	34,054,113	422,514	34,476,627	7,605,322
Other liabilities	-	-	-	673,911
Long-term liabilities:				
Due within one year	8,479,419	2,441,271	10,920,690	9,211,253
Due in more than one year	211,209,017	57,532,200	268,741,217	19,195,433
Total liabilities	<u>286,798,130</u>	<u>64,431,184</u>	<u>351,229,314</u>	<u>38,955,167</u>
Net assets (deficit)				
Invested in capital assets, net of related debt	70,136,376	16,358,248	86,494,624	34,280,124
Restricted for primary government	9,570,727	3,196,664	12,767,391	-
Restricted for component units:				
Capital activity and debt service	-	-	-	134,521,367
Legal purposes	-	-	-	11,987,738
Unrestricted (Deficit)	(40,114,063)	(9,258,601)	(49,372,664)	15,568,264
Total net assets	<u>\$ 39,593,040</u>	<u>\$ 10,296,311</u>	<u>\$ 49,889,351</u>	<u>\$ 196,357,493</u>

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Statement of Activities

Year ended December 31, 2011

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 13,553,130	\$ 4,942,983	\$ 686,093	\$ 673,205	\$ (7,250,849)	\$ -	\$ (7,250,849)	\$ -
Public safety	63,954,882	29,548,437	2,963,707	-	(31,442,738)	-	(31,442,738)	-
Roads and bridges	1,745,365	-	1,759,372	751,526	765,533	-	765,533	-
Health, education, and welfare:								
Drug and alcohol	3,588,113	-	3,463,505	-	(124,608)	-	(124,608)	-
Mental health/mental retardation	29,822,474	-	28,909,884	-	(912,590)	-	(912,590)	-
Office of aging	8,787,468	266,221	8,003,402	-	(517,845)	-	(517,845)	-
Children and youth	42,137,443	691,402	31,626,654	365,734	(9,453,653)	-	(9,453,653)	-
Human services	93,830,640	-	80,182,017	-	(13,648,623)	-	(13,648,623)	-
Judicial	41,611,232	10,842,412	5,438,185	-	(25,330,635)	-	(25,330,635)	-
Cultural and recreation	7,388,731	678,867	585,940	-	(6,123,924)	-	(6,123,924)	-
Conservation and community development	12,949,541	319,216	6,517,311	-	(6,113,014)	-	(6,113,014)	-
Interest expense	5,838,841	-	-	-	(5,838,841)	-	(5,838,841)	-
Total primary government	325,207,860	47,289,538	170,136,070	1,790,465	(105,991,787)	-	(105,991,787)	-
Business-type activities:								
Nursing home	40,954,101	32,017,214	-	187,500	-	(8,749,387)	(8,749,387)	-
911 operations	15,448,100	6,706,462	-	-	-	(8,741,638)	(8,741,638)	-
Total business-type activities	56,402,201	38,723,676	-	187,500	-	(17,491,025)	(17,491,025)	-
Total primary government	\$ 381,610,061	\$ 86,013,214	\$ 170,136,070	\$ 1,977,965	(105,991,787)	(17,491,025)	(123,482,812)	-
Component units:								
York County Solid Waste and Refuse Authority	\$ 42,735,054	\$ 43,734,056	\$ -	\$ -	-	-	-	999,002
York County Industrial Development Authority	8,555,487	19,429	7,534,041	1,222,000	-	-	-	219,983
York County Library System	7,813,168	2,398,035	4,340,383	-	-	-	-	(1,074,750)
York County Planning Commission	3,995,683	2,634,115	1,445,000	-	-	-	-	83,432
Total component units	\$ 63,099,392	\$ 48,785,635	\$ 13,319,424	\$ 1,222,000	-	-	-	227,667
General revenues:								
Property taxes					110,419,716	-	110,419,716	-
Unrestricted investment earnings/(loss)					(10,568,496)	19,486	(10,549,010)	55,863
Hotel tax					1,495,347	-	1,495,347	-
Other					1,588,306	-	1,588,306	-
Transfers					(18,050,304)	18,050,304	-	-
Total general revenues and transfers					84,884,569	18,069,790	102,954,359	55,863
Change in net assets					(21,107,218)	578,765	(20,528,453)	283,530
Net assets - beginning					60,700,258	9,717,546	70,417,804	196,073,963
Net assets - ending					\$ 39,593,040	\$ 10,296,311	\$ 49,889,351	\$ 196,357,493

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Balance Sheet -- Governmental Funds

December 31, 2011

	General Fund	HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children and Youth Fund	Community Development Block Grant Fund	Other Nonmajor Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 5,427,329	\$ 4,888,306	\$ 6,073,317	\$ 400	\$ 397,607	\$ 6,435,238	\$ 23,222,197
Restricted cash	3,873,476	1,365,554	60,755	-	-	508,344	5,808,129
Investments	10,947,701	11,173,743	2,801,471	-	-	7,775,065	32,697,980
Restricted investments	389,508	7,764,173	-	-	-	695,130	8,848,811
Receivables:							
Taxes, net	3,966,634	-	-	-	-	-	3,966,634
Accounts	6,281,520	2	114,999	1,676	5,695,776	1,341,903	13,435,876
Due from other funds	2,992,701	-	13,294	1,086,432	-	2,104,330	6,196,757
Due from other governments	1,018,994	-	217,279	4,524,560	421,576	1,368,161	7,550,570
Loan and note	12,443,854	-	-	-	-	-	12,443,854
Other assets	347,202	-	52,246	-	-	-	399,448
Total assets	\$ 47,688,919	\$ 25,191,778	\$ 9,333,361	\$ 5,613,068	\$ 6,514,959	\$ 20,228,171	\$ 114,570,256
Liabilities and fund balances							
Liabilities:							
Accounts payable and accrued liabilities	\$ 7,355,580	\$ 8,161,009	\$ 1,854,299	\$ 2,561,334	\$ 498,009	\$ 4,564,106	\$ 24,994,337
Due to other funds	1,354,295	1,829,434	846,568	-	44	672,282	4,702,623
Deposits held in escrow	4,139,197	1,552,500	-	-	-	550,879	6,242,576
Due to other governments	-	561,813	-	-	-	107,083	668,896
Deferred revenue	2,573,555	13,087,022	6,632,494	3,051,734	6,016,906	5,262,616	36,624,327
Total liabilities	\$ 15,422,627	\$ 25,191,778	\$ 9,333,361	\$ 5,613,068	\$ 6,514,959	\$ 11,156,966	\$ 73,232,759
Fund balances (Deficit):							
Nonspendable	12,443,854	-	-	-	-	-	12,443,854
Restricted	76,314	-	-	-	-	9,494,413	9,570,727
Committed	35,896	-	-	-	-	283,910	319,806
Assigned	4,886,484	-	-	-	-	-	4,886,484
Unassigned (Deficit)	14,823,744	-	-	-	-	(707,118)	14,116,626
Total fund balances	\$ 32,266,292	\$ -	\$ -	\$ -	\$ -	\$ 9,071,205	\$ 41,337,497
Total liabilities and fund balances	\$ 47,688,919	\$ 25,191,778	\$ 9,333,361	\$ 5,613,068	\$ 6,514,959	\$ 20,228,171	\$ 114,570,256

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets

December 31, 2011

Total Fund Balances of Governmental Funds:	\$	41,337,497
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital Assets, including Infrastructure assets, used in governmental activities are not current financial resources and, therefore, are not reported in the funds.		235,597,478
The funds record only the tax revenue received through a period of 60 days subsequent to year-end. The statement of net assets includes a receivable for the County's anticipated collections on the levy.		2,570,214
The funds record bond issuance costs as a current period expenditure while those costs are capitalized on the statement of net assets and amortized over the life of the bonds.		559,192
Assets/Liabilities not available to pay for current period's expenditures and therefore not reported in the funds.		
Investments in derivative instruments		(21,943,188)
Other assets		2,310,055
Long-term liabilities are not due and payable in the current period and accordingly not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the Statement of Net Assets. Long-term liabilities at year-end consist of:		
General obligation bonds and notes payable		(191,141,023)
Litigation liability		(2,500,000)
Unamortized premium		(1,231,922)
Accrued interest payable		(1,149,772)
Workers compensation claims liability		(2,542,819)
Accrued compensated absences		(4,141,261)
Liability for other postemployment benefits		(14,342,322)
Liability for pension benefits		(3,789,089)
Total Net Assets of Governmental Activities	\$	<u>39,593,040</u>

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year ended December 31, 2011

	General Fund	York HealthChoices Management Fund	Mental Health/Mental Retardation Fund	Children and Youth Fund	Community Development Block Grant Fund	Other Nonmajor Funds	Total Governmental Funds
Revenues							
Real estate taxes	\$ 110,537,455	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,537,455
Intergovernmental	6,732,892	63,431,118	28,909,884	31,992,388	4,319,271	36,540,982	171,926,535
Departmental	39,535,859	-	-	691,402	2,776	1,604,124	41,834,161
Fines and costs	5,455,377	-	-	-	-	-	5,455,377
Hotel tax	1,495,347	-	-	-	-	-	1,495,347
Investment	122,196	51,748	12,906	-	1,449	44,831	233,130
Other	-	-	35,095	-	-	1,553,211	1,588,306
Total revenues	163,879,126	63,482,866	28,957,885	32,683,790	4,323,496	39,743,148	333,070,311
Expenditures							
Current:							
General government	12,235,067	-	-	-	-	-	12,235,067
Public safety	59,281,034	-	-	-	-	1,043,884	60,324,918
Roads and bridges	-	-	-	-	-	1,173,337	1,173,337
Health, education, and welfare:							
Drug and alcohol	-	-	-	-	-	3,588,113	3,588,113
Mental health/mental retardation	-	-	29,822,474	-	-	-	29,822,474
Office of aging	-	-	-	-	-	8,787,468	8,787,468
Children and youth	-	-	-	42,137,443	-	-	42,137,443
Human services	-	-	-	-	-	17,300,625	17,300,625
Judicial	10,845,335	63,482,866	-	-	-	5,280,676	91,628,826
Cultural and recreation	33,027,842	-	-	-	-	85,407	38,308,518
Conservation and community development	8,015,623	-	-	-	-	4,066,740	12,894,200
Capital outlay	4,503,964	-	-	-	4,323,496	6,972,767	8,386,541
Debt service:	1,048,040	-	-	365,734	-	-	1,413,774
Principal retirement	3,945,717	-	-	-	-	17,349	3,963,066
Interest and fiscal charges	5,500,814	-	-	-	-	83,580	5,584,394
Total expenditures	138,403,436	63,482,866	29,822,474	42,503,177	4,323,496	48,399,946	326,935,395
Excess (deficiency) of revenues over (under) expenditures	25,475,690	-	(864,589)	(9,819,387)	-	(8,656,798)	6,134,916
Other financing sources (uses)							
Transfers in	55,299	-	864,589	9,819,387	-	1,627,058	12,366,333
Transfers out	(30,272,104)	-	-	-	-	(144,533)	(30,416,637)
Issuance of debt	-	-	-	-	-	7,037,755	7,037,755
Total other financing sources (uses)	(30,216,805)	-	864,589	9,819,387	-	8,520,280	(11,012,549)
Net change in fund balances	(4,741,115)	-	-	-	-	(136,518)	(4,877,633)
Fund balances, January 1	37,007,407	-	-	-	-	9,207,723	46,215,130
Fund balances, December 31	\$ 32,266,292	\$ -	\$ -	\$ -	\$ -	\$ 9,071,205	\$ 41,337,497

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities

Year Ended December 31, 2011

Net change in fund balances - total governmental funds \$ (4,877,633)

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital purchases as expenditures. In the
Statement of Activities, the cost of these assets is depreciated over the
estimated useful lives and is reported as depreciation expense. The
difference in the current period between capital expenditures (\$8,386,541),
depreciation expense (\$6,717,303), and loss on disposal of capital assets
(\$12,252) is a reconciling item. 1,656,986

Amount represents the change in the receivable recorded over 60 days.
The funds report only receipts through 60 days of subsequent period.
Statement of Activities includes full amount of levy deemed collectible
by the County. (117,739)

The issuance of long-term liabilities provide financial resources to
governmental funds and contribute to the change in fund balance.
However, the issuance of debt does not affect the Statement of Activities
since it increases long-term liabilities in the Statement of Net Assets.
Accordingly, the repayment of principal and the proceeds of bond issuance
are reported as an expenditure and revenue in the governmental funds,
respectively, but reduce/increase the liability in the Statement of Net
Assets. The amounts related to the above items that make up differences
are:

Proceeds from bonds and notes issuance	(7,037,755)
Principal repayments on general obligation bonds	3,963,066
Payments for litigation liability	1,000,000

Pursuant to the modified accrual basis of accounting, governmental funds do not
recognize expenditures for transactions that are not normally paid with
expendable available financial resources. Pursuant to the accrual basis
of accounting, the Statement of Activities reports expenses and liabilities
regardless of when financial resources are available. In addition, interest
on long-term debt is not recognized in the governmental funds until due,
while it is accrued in the Statement of Activities. The differences for the
items discussed above are:

Workers compensation expense	(863,553)
Compensated absence expense	(364,864)
Other postemployment benefits expense	(3,019,912)
Investment loss from derivative instruments	(10,801,626)
Pension expense	(580,491)
Accrual of interest on long-term debt	(203,805)
Claims and judgement expense	216,300
Amortization of bond premium	56,134
Amortization of issuance costs	(25,550)
Amortization of deferred refunding loss	(106,776)

Change in net assets of governmental activities \$ (21,107,218)

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Statement of Fund Net Assets (Deficit) – Enterprise Funds

December 31, 2011

	County Nursing Home Fund	911 Fund	Total
Assets			
Current assets:			
Cash	\$ 1,000	\$ 102,415	\$ 103,415
Accounts receivable	5,374,110	366,863	5,740,973
Due from other governments	-	50,823	50,823
Bond issuance costs, net	-	440,840	440,840
Restricted cash	435,868	3,196,664	3,632,532
Other assets	59,986	-	59,986
Total current assets	5,870,964	4,157,605	10,028,569
Noncurrent assets:			
Capital assets not being depreciated	181,514	686,204	867,718
Capital assets being depreciated, net of depreciation	9,802,120	55,523,222	65,325,342
Total noncurrent assets	9,983,634	56,209,426	66,193,060
Total assets	\$ 15,854,598	\$ 60,367,031	\$ 76,221,629
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 3,146,366	\$ 256,005	\$ 3,402,371
Due to other funds	1,486,494	7,640	1,494,134
Deposits held in escrow	435,868	-	435,868
Accrued interest payable	25,768	171,192	196,960
Unearned revenue	83,690	338,824	422,514
General obligation debt	222,513	1,532,744	1,755,257
Liability for workers' compensation self-insurance	75,954	-	75,954
Compensated absences	453,296	156,764	610,060
Total current liabilities	5,929,949	2,463,169	8,393,118
Noncurrent liabilities:			
General obligation debt	6,139,618	41,933,918	48,073,536
Liability for workers' compensation self-insurance	683,589	-	683,589
Compensated absences	163,045	56,386	219,431
Liability for other postemployment benefits	5,934,098	884,488	6,818,586
Liability for pension benefits	1,500,403	236,655	1,737,058
Total noncurrent liabilities	14,420,753	43,111,447	57,532,200
Total liabilities	20,350,702	45,574,616	65,925,318
Net assets (deficit)			
Invested in capital assets, net of related debt	3,621,503	12,736,745	16,358,248
Restricted	-	3,196,664	3,196,664
Unrestricted (deficit)	(8,117,607)	(1,140,994)	(9,258,601)
Total net assets (deficit)	\$ (4,496,104)	\$ 14,792,415	\$ 10,296,311

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Statement of Revenues, Expenses, and Changes in Fund Net Assets (Deficit) – Enterprise Funds

Year ended December 31, 2011

	County Nursing Home Fund	911 Fund	Total
Operating revenues:			
Charges for sales and services:			
Charges for services	\$ 32,017,214	\$ -	\$ 32,017,214
Telephone surcharge revenue	-	6,706,462	6,706,462
Total operating revenues	32,017,214	6,706,462	38,723,676
Operating expenses:			
Operating/administrative	39,782,252	11,304,928	51,087,180
Depreciation	863,067	2,095,919	2,958,986
Total operating expenses	40,645,319	13,400,847	54,046,166
Operating loss	(8,628,105)	(6,694,385)	(15,322,490)
Nonoperating revenue (expense)			
Capital grant	187,500	-	187,500
Investment income	1,535	17,951	19,486
Bond interest	(308,782)	(2,047,253)	(2,356,035)
Total nonoperating expense	(119,747)	(2,029,302)	(2,149,049)
Loss before transfers	(8,747,852)	(8,723,687)	(17,471,539)
Transfers in	8,535,087	9,515,217	18,050,304
Change in net assets (deficit)	(212,765)	791,530	578,765
Total net assets (deficit), January 1	(4,283,339)	14,000,885	9,717,546
Total net assets (deficit), December 31	\$ (4,496,104)	\$ 14,792,415	\$ 10,296,311

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Statement of Cash Flows – Enterprise Funds

Year ended December 31, 2011

	County Nursing Home Fund	911 Fund	Total
Cash flows from operating activities			
Cash received on patient accounts	\$ 30,713,802	\$ -	\$ 30,713,802
Cash received from telephone surcharge revenue	-	6,630,027	6,630,027
Cash payments for material and supplies	(3,397,673)	(189,695)	(3,587,368)
Cash payments for patient services	(6,555,561)	-	(6,555,561)
Cash payments for program services	-	(3,139,526)	(3,139,526)
Cash payments for salaries and employee benefits	(28,468,290)	(7,740,937)	(36,209,227)
Net cash used in operating activities	(7,707,722)	(4,440,131)	(12,147,853)
Cash flows from investing activities			
Investment income	1,535	17,951	19,486
Investment redemptions	-	146,832	146,832
Net cash provided by investing activities	1,535	164,783	166,318
Cash flows from noncapital financing activities			
Transfers from other funds	8,535,087	9,515,217	18,050,304
Net cash provided by noncapital financing activities	8,535,087	9,515,217	18,050,304
Cash flows from capital and related financing activities			
Capital grant	187,500	-	187,500
Interest expense	(313,380)	(2,082,207)	(2,395,587)
Payments on capital lease	-	(207,962)	(207,962)
Principal payments on bonds	(212,481)	(1,411,802)	(1,624,283)
Purchases of capital assets	(589,748)	(393,789)	(983,537)
Net cash used in capital and related financing activities	(928,109)	(4,095,760)	(5,023,869)
Net increase/(decrease) in cash and cash equivalents	(99,209)	1,144,109	1,044,900
Cash and cash equivalents, January 1	536,077	2,154,970	2,691,047
Cash and cash equivalents, December 31	\$ 436,868	\$ 3,299,079	\$ 3,735,947
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	\$ (8,628,105)	\$ (6,694,385)	\$ (15,322,490)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	863,067	2,095,919	2,958,986
Changes in assets and liabilities in:			
Accounts receivable	(1,303,412)	(69,966)	(1,373,378)
Due from other governments	-	(6,469)	(6,469)
Other assets	-	14,009	14,009
Accounts payable	1,489,013	(64,709)	1,424,304
Due to other funds	(743,447)	4,107	(739,340)
Deposits held in escrow	(99,044)	-	(99,044)
Compensated absences payable	12,296	54,996	67,292
Liability for other postemployment benefits	1,212,048	184,636	1,396,684
Liability for pension benefits	104,264	41,731	145,995
Liability for workers' compensation self-insurance	(614,402)	-	(614,402)
Total adjustments	920,383	2,254,254	3,174,637
Net cash used in operating activities	\$ (7,707,722)	\$ (4,440,131)	\$ (12,147,853)
Noncash financing activities:			
Amortization of bond issuance costs	\$ -	\$ (20,038)	\$ (20,038)
Amortization of bond premium	-	54,291	54,291
	\$ -	\$ 34,253	\$ 34,253
Reconciliation of cash to Statement of Net Assets			
Cash	\$ 1,000	\$ 102,415	\$ 103,415
Restricted cash	435,868	3,196,664	3,632,532
	\$ 436,868	\$ 3,299,079	\$ 3,735,947

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Statement of Fiduciary Net Assets – Fiduciary Funds

December 31, 2011

	Pension Trust Fund	Agency Funds
Assets		
Cash and cash equivalents	\$ 9,278,837	\$ 9,683,975
Investments:		
Certificates of deposit	-	100,017
U.S. treasuries	21,516,862	512,895
U.S. government agency obligations	10,226,278	750,118
Corporate bonds	27,606,996	-
Municipal bonds	-	200,000
Stocks	69,641,121	-
Fixed income mutual funds	-	3,903,127
International equity mutual funds	51,178,389	-
Equity mutual funds	33,194,954	-
Other	572,653	1,066
Receivables:		
Delinquent taxes on behalf of other governments	-	12,929,840
Accounts	-	133,080
Total assets	<u>\$ 223,216,090</u>	<u>\$ 28,214,118</u>
Liabilities		
Liabilities:		
Due to other governments	\$ -	\$ 5,385,502
Other liabilities	-	22,828,616
Total liabilities	<u>-</u>	<u>\$ 28,214,118</u>
Net assets		
Net assets held in trust for pension benefits	<u>\$ 223,216,090</u>	

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Statement of Changes in Fiduciary Net Assets – Pension Trust Fund

Year ended December 31, 2011

Additions:	
Employer contributions	\$ 10,000,000
Employee contributions	<u>5,219,125</u>
Total contributions	15,219,125
Investment income:	
Net depreciation in fair value of investments	(2,162,931)
Interest	2,299,670
Dividends	<u>3,392,725</u>
Total investment income	<u>3,529,464</u>
Total additions	<u>18,748,589</u>
Deductions:	
Benefit payments	10,909,163
Refunds of contributions	<u>1,259,601</u>
Total deductions	<u>12,168,764</u>
Net increase	6,579,825
Net assets held in trust for pension benefits, beginning of year	216,636,265
Net assets held in trust for pension benefits, end of year	<u>\$ 223,216,090</u>

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Combining Statement of Net Assets – Discretely Presented Component Units

December 31, 2011

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
Assets					
Cash and cash equivalents	\$ 2,749,557	\$ 73,044	\$ 169,469	\$ 1,040,751	\$ 4,032,821
Accounts receivable	13,218,355	341,568	111,228	295,171	13,966,322
Due from other governments	-	1,200,000	-	-	1,200,000
Notes receivable	-	498,107	-	-	498,107
Investments	-	4,882,695	892,752	-	5,775,447
Restricted cash	3,340,604	-	-	-	3,340,604
Restricted investments	143,168,501	-	-	-	143,168,501
Other assets	1,049,505	1,876	40,677	629,230	1,721,288
Capital assets not being depreciated	9,666,219	7,140,462	-	-	16,806,681
Capital assets being depreciated, net of depreciation	18,693,808	25,442,996	617,340	48,745	44,802,889
Total assets	\$ 191,886,549	\$ 39,580,748	\$ 1,831,466	\$ 2,013,897	\$ 235,312,660
Liabilities and net assets					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,520,698	\$ 387,799	\$ 249,216	\$ 111,535	\$ 2,269,248
Due to other governments	-	-	-	-	-
Unearned revenue	7,593,884	-	11,438	-	7,605,322
Other liabilities	673,911	-	-	-	673,911
Long-term liabilities:					
Due within one year	8,245,000	966,253	-	-	9,211,253
Due in more than one year	18,283,544	800,000	32,874	79,015	19,195,433
Total liabilities	36,317,037	2,154,052	293,528	190,550	38,955,167
Net assets:					
Invested in capital assets, net of related debt	2,650,081	30,963,958	617,340	48,745	34,280,124
Restricted					
Capital activity and debt service	134,521,367	-	-	-	134,521,367
Legal purposes	11,987,738	-	-	-	11,987,738
Unrestricted	6,410,326	6,462,738	920,598	1,774,602	15,568,264
Total net assets	\$ 155,569,512	\$ 37,426,696	\$ 1,537,938	\$ 1,823,347	\$ 196,357,493

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Combining Statement of Activities – Discretely Presented Component Units

Year ended December 31, 2011

	Solid Waste and Refuse Authority	Industrial Development Authority	Library System	Planning Commission	Total
Program revenues:					
Charges for goods and services	\$ 43,734,056	\$ 19,429	\$ 2,398,035	\$ 2,634,115	\$ 48,785,635
Operating grants and contributions	-	7,534,041	4,340,383	1,445,000	13,319,424
Capital grants and contributions	-	1,222,000	-	-	1,222,000
Total program revenues	43,734,056	8,775,470	6,738,418	4,079,115	63,327,059
General revenues:					
Unrestricted investment earnings/(loss)	-	81,373	(26,243)	733	55,863
Total revenues	43,734,056	8,856,843	6,712,175	4,079,848	63,382,922
Expenses	42,735,054	8,555,487	7,813,168	3,995,683	63,099,392
Change in net assets	999,002	301,356	(1,100,993)	84,165	283,530
Net assets, January 1	154,570,510	37,125,340	2,638,931	1,739,182	196,073,963
Net assets, December 31	\$ 155,569,512	\$ 37,426,696	\$ 1,537,938	\$ 1,823,347	\$ 196,357,493

The notes to the financial statements are an integral part of this statement.

County of York, Pennsylvania

Notes to Financial Statements

December 31, 2011

(1) Summary of Significant Accounting Policies

The Reporting Entity

The County of York, Pennsylvania (the County) is located in south central Pennsylvania, to the south of the City of Harrisburg, the capital of the Commonwealth of Pennsylvania. It is a third-class County founded in 1749 and operates under an elected three-member Board of Commissioners. The County provides services in many areas to its residents, including various general government services, public safety, health and welfare, and community enrichment programs.

The financial statements of the County of York include the accounts of all County operations. The County's major operations include administrative, judicial, general government, corrections, emergency services, human services and the youth development center. In addition, the County owns and operates Pleasant Acres Nursing and Rehabilitation Center (the County Nursing Home) and the County Prison.

Consistent with the guidance contained in Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement No. 14, *The Financial Reporting Entity*, the criteria used by the County to evaluate the possible inclusion of related entities (Authorities, Boards, Councils, etc.) within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the County reviews the applicability of the following criteria.

The County is financially accountable for:

- Organizations that make up the legal County entity.
- Legally separate organizations if County officials appoint a voting majority of the organization's governing body and the County is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County as defined below.

Impose Its Will — If the County can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

The Reporting Entity (Continued)

Financial Benefit or Burden—Exists if the County (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

- Organizations that are fiscally dependent on the County. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the County.

Based on the foregoing criteria, the reporting entity has been defined to include all the funds for which the County is financially accountable or for which there is a significant relationship. Specific information on the nature of the various potential component units and a description of how the aforementioned criteria have been considered in determining whether or not to include or exclude such units in the County's financial statements are provided in the following paragraphs. Separately published audit reports of the component units are available for public inspection in the Controller's Office.

Blended Component Units

Some component units, despite being legally separate from the primary government (County), are so intertwined with the primary government that they are, in substance, the same as the primary government and are reported as part of the primary government.

The Mental Health/Mental Retardation and Drug and Alcohol programs and York and Adams HealthChoices Management funds, which have substantially the same governing body as the primary government, are component units that are reported in this way in the Basic Financial Statements.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Discretely Presented Component Units

Component units that are not blended as part of the primary government are discretely presented, which entails reporting component unit financial data in a column separate from the financial data of the primary government. The component units presented in this way are the following:

York County Solid Waste and Refuse Authority
York County Industrial Development Authority
York County Library System
York County Planning Commission

Separate financial statements of the discretely presented component units can be obtained from the York County Controller's office.

York County Solid Waste and Refuse Authority

The York County Solid Waste and Refuse Authority (YCSWRA) coordinates the environmentally responsible economic and efficient management of all municipal solid waste generated in the County. The YCSWRA board of directors is appointed by the County Commissioners and the County currently guarantees YCSWRA's Series of 1997 revenue bonds (See note 14).

Additionally, the Commissioners are required to approve the County Solid Waste Plan as prepared by YCSWRA and any significant changes thereto.

York County Industrial Development Authority

The York County Industrial Development Authority (the Authority) was established under the Industrial and Commercial Development Authority Law of the Commonwealth of Pennsylvania to provide a means for developers within the County to obtain funds through the issuance of tax-exempt Industrial Development obligations. All of the bond issues must be approved by the County Commissioners. The Authority is administered by a ten-member board of directors, all of whom are appointed by the County Commissioners.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Discretely Presented Component Units (Continued)

Revenues are primarily derived from application and servicing fees received from developers seeking to issue tax-exempt obligations.

The activities of the Authority are conducted within the geographic boundaries of the County primarily for the benefit of County residents through the creation of employment opportunities.

York County Library System

The York County Library System (Library System) is a private nonprofit organization. Two of the seven board directors are appointed by the County Commissioners. The County had dedicated 0.1 mill of the property tax rate for 2011 as a library tax, which constitutes a significant portion of the Library System's revenues. The Library System cannot issue bonded debt without substantive approval by the County, which makes the Library System fiscally dependent on the County.

York County Planning Commission

The York County Planning Commission (Commission) was formed in 1959 by the Board of County Commissioners. All board members are appointed by the County Commissioners. Since its formation, the primary goal of the Commission has been the preparation of a comprehensive plan for the County. Other responsibilities include activity dealing with data processing, traffic engineering, human services and historical preservation. The County has assumed a financial obligation to provide financial support.

Related Organization

The County Commissioners are also responsible for appointing the members of the York County Hospital Authority, but the County's accountability does not extend beyond making appointments. The York County Hospital Authority was formed to acquire tax-free financing for hospitals and health care organizations in the York County area. The County Commissioners appoint the five-member board of directors. The County makes no financial contribution to the York County Hospital Authority and is not responsible for its budget or debt.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Jointly Governed Organization

York/Adams HealthChoices

York/Adams HealthChoices is a department within York County formed out of collaboration between the County and Adams County to provide service to those residents who live in these counties who are eligible to participate in the behavioral health and substance abuse components of the Medical Assistance program. The County holds ultimate financial responsibility for this program.

Basis of Presentation

The basic financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States applicable to governments. The Governmental Accounting Standards Board establishes accounting and financial reporting requirements for governments.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements include both government-wide financial statements, which are based on the County as a whole, and fund financial statements. GASB Statement No. 34 focuses on the County as a whole and on major individual funds (within the fund financial statements).

Government-Wide Financial Statements

The government-wide financial statements (statement of net assets and statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The focus of the government-wide financial statements is more on sustainability of the County as an entity and the change in aggregate financial position resulting from activities of the fiscal period. As a general rule, the effect of interfund activity has been eliminated from these statements. The County's policy is to eliminate internal activity by distinguishing overhead costs which are eliminated during consolidation from interfund services provided and used. The County does not allocate indirect costs on the statement of activities. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and other charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Government-Wide Financial Statements (Continued)

In the government-wide statement of net assets, the governmental and business-type activities columns are presented on a consolidated basis by column and are presented using the economic resources measurement focus and the accrual basis of accounting, which incorporates noncurrent assets as well as long-term debt and obligations. Interfund balances between governmental funds and interfund balances between enterprise funds are not included in the total primary government column of the government-wide statement of net assets.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given functional category (public safety, general government, etc.) or business-type activity (911 operations, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category or business-type activity. Expenses reported for functional activities do not include allocated indirect expenses. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given functional category or business-type activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular functional category or business-type activity. Taxes and other items that are not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The financial transactions of the County are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance/net assets, revenues and expenditures/expenses. Emphasis under GASB Statement No. 34 is on major funds in the governmental or enterprise categories. GASB Statement No. 34 sets forth minimum criteria for the determination of major funds. The nonmajor funds in each category are combined in a column in the fund financial statements and detailed in the combining and individual fund statements and schedules section.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

The governmental fund financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes as available if collected within 60 days after year-end. The availability period for all other significant revenue sources in governmental funds is 365 days. Property taxes due but not collected within 60 days after year-end are reflected as deferred revenues. Licenses, permits, and fines and costs are recorded as revenues when received. Intergovernmental revenues, consisting primarily of Federal, State and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Interest earnings are recorded as earned.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt are recognized as fund liabilities when due. As the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, reconciliations are presented which briefly explain the adjustments necessary to reconcile the governmental fund financial statements to the government-wide financial statements.

The County's enterprise funds, presented in the enterprise fund financial statements, are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. With respect to the government-wide financial statements and the enterprise funds, the County has elected not to apply FASB Statements issued after November 30, 1989.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County Nursing Home and 911 Fund enterprise funds are charges to customers for sales and services. Operating expenses of the enterprise funds include the costs of providing services, such as personnel, contracting and supplies as well as depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

The County's fiduciary funds are presented in the fund financial statements by type (pension trust fund and agency fund). Since, by definition, the assets of these funds are held for the benefit of a third party (individuals, private organizations, and/or other governments) and cannot be used to satisfy obligations of the County, these funds are not incorporated into the government-wide financial statements. The County's fiduciary funds are presented on the accrual basis of accounting.

The following major funds are used by the County:

Governmental Funds

The General Fund is the principal fund of the County that accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the County, other than enterprise fund activities, are financed through revenues of the General Fund.

The York HealthChoices Management fund is used to account for amounts received from various federal and state agencies. These funds are restricted to provide a mandatory managed care program for those who are eligible to participate in medical assistance.

The Mental Health and Mental Retardation Fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to provide assistance and medical care to those individuals with mental health and developmental disability problems.

The Children and Youth Services Fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to provide support services to at-risk juveniles.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

Governmental Funds (Continued)

The Community Development Block Grant Fund receives federal funds from the United States Department of Housing and Urban Development to provide rehabilitation loans to low income property owners that are restricted and to administer a rental rehabilitation program that provides loans to multifamily property owners to rehabilitate rental units for low income and elderly occupancy.

Enterprise Funds

Enterprise Funds are used to account for operations of the County Nursing Home and 911 activities that are financed and operated where the intent of the County is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or cost reimbursement plans.

- The County Nursing Home Fund is used to account for the financial activity of the County Nursing Home.
- The 911 Fund is used to account for the emergency response communications network of the County.

Fiduciary Funds

In addition to the major funds discussed above, the County also reports fiduciary funds.

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include the Pension Trust Fund and Agency Funds. The Pension Trust Fund is accounted for in essentially the same manner as the proprietary funds since capital maintenance is critical. The Pension Trust Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

accordance with the terms of the plan. Agency Funds are custodial in nature and do not involve measurement of results of operations.

- The Pension Trust Fund is used to account for the retirement pension plan contributions of the County and its employees.
- The Tax Claim Bureau Agency Fund is used to account for the collection of delinquent taxes for the County and on behalf of school districts and municipalities.
- The Unclaimed Money Fund is used to account for unclaimed funds awaiting escheat.
- The Row Offices Agency Fund is used to account for cash held by elected row officers (Recorder of Deeds, Prothonotary, Treasurer, Sheriff, Clerk of Courts and Register of Wills) awaiting disbursement to the County, other governments, or citizens for whom it was collected.
- The Landfill Escrow Fund is used to account for funds that are available for remedial measures and emergency actions which may become necessary to prevent or abate adverse effects on the environment after closure of municipal waste landfills operating within the County's boundaries.

Pooled Cash and Temporary Investments

Cash balances and temporary investments of the General Fund, the Human Services, and Children and Youth special revenue funds, the County Nursing Home and 911 enterprise funds, and the Capital Projects Bond Account Fund are pooled by the County. Balances are segregated by fund, but accounted for centrally for receipt and disbursement purposes. Interest on investments is allocated to the funds based on their equity in pooled cash and temporary investments. The cash and temporary investments are recorded in the general fund with corresponding due to/from other fund balances reported in each fund.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Cash Equivalents

For purposes of the statement of cash flows (Enterprise Funds), the County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Certain nonparticipating contracts such as nonnegotiable certificates of deposit are reported at cost.

Bond Issuance Costs

Certain issuance costs (underwriting and legal costs) are deferred and amortized over the life of the related bonds on the straight line method. In the governmental fund financial statements, such costs are immediately recognized as expenditures.

Easements

In order to preserve farmland and open space, the County purchases agricultural easements. An agricultural easement restricts the use of land from commercial development in perpetuity and encourages the continued agricultural use of land. An easement is thus considered an intangible asset of the County with an indefinite useful life and is recorded in the government-wide financial statements.

Capital Assets

The cost of capital assets acquired for general government purposes is recorded as an expenditure in the governmental funds and as an asset in the government-wide financial statements to the extent the County's capitalization threshold has been met.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Capital assets, which include land, buildings and improvements, furniture, fixtures and equipment, construction in progress, and infrastructure assets including bridges, roads and rail trail, are recorded in the government-wide financial statements and enterprise fund financial statements. Capital assets are defined by the County as assets with a value of \$5,000 or more and useful life longer than one year. The York County Nursing Home includes capital assets with a threshold of \$500 or more and useful life in excess of one year. This capitalization threshold is applied to individual capital assets rather than to groups/sets of capital assets (e.g., chairs, desks, etc.). Such assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Easements with an indefinite useful live are considered intangible assets of the County and accordingly are not depreciated.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations. In accordance with GASB Statement No. 34, the County's infrastructure has been capitalized retroactively to 1980.

Capital assets of the County are depreciated using the straight-line method over the estimated useful lives of purchased, donated and leased assets as follows:

Buildings and improvements	40 years
Furniture, fixtures, and equipment	5-15 years
Bridges, roads, and rails	20-50 years
Leasehold assets	5 years

The County has an art collection that is not capitalized, because the collection meets the criteria for non-capitalization in accordance with GASB Statement No. 34. Specifically, the collection is held for reasons other than financial gain. The collection is protected, kept unencumbered, cared for and preserved, and is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Receivables

Taxes and the Nursing Home accounts receivable are shown net of an allowance for uncollectible amounts. The County recorded an allowance for uncollectible accounts receivable of the Nursing Home and an allowance for uncollectible property taxes of \$1,294,085 and \$440,737, respectively as of December 31, 2011.

Due from other governments balance represents amounts due from governments for various grant programs. The loan receivable represents funds loaned to York County Agricultural Society.

Compensated Absences

All compensated absences are accrued when incurred in the government-wide and enterprise fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide and enterprise funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

For the government fund financial statements, premiums and discounts are recognized immediately.

Unearned and Deferred Revenues

Revenues that are received but not earned are recorded as unearned revenue in the government-wide and enterprise funds financial statements. In the County's governmental funds, deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred and unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the governmental funds' balance sheet and revenue is recognized.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable fund balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted fund balance – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners remove or change the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.
- Assigned fund balance – This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. The Board of Commissioners delegated the responsibility to approve/or remove assigned fund balance that reflect the Commissioner's intended use of the resources to the Chief Clerk.
- Unassigned fund balance – This classification represents amounts that are available for any purpose.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and lastly unassigned fund balance.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Net Assets

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Invested In Capital Assets, Net of Related Debt* – This category groups all capital assets into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Assets* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Assets* – This category represents net assets of the County, not restricted for any project or other purpose.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the County's policy is to apply restricted net assets first, then unrestricted net assets as they are needed.

Leases

For capital leases in the governmental fund types, acquisition costs are recorded as expenditures with an offsetting entry to other financing sources. For capital leases in the proprietary fund types, acquisition costs are capitalized with an offsetting entry to capital lease payable.

Intergovernmental Revenues

Intergovernmental revenues represent revenues received from the Commonwealth of Pennsylvania and federal agencies generally to fund specific programs. Awards made on the basis of entitlement periods are recorded as intergovernmental revenues when entitlement occurs. Reimbursement type grants are recorded as revenues when the related expenditures are incurred. In the governmental funds financial statements, grants are recorded when revenues are also measurable and available.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Hotel Room Rental Tax

The County of York receives a 3% hotel room rental tax from the operators of each hotel within York County. The 3% is allocated to the York County Convention and Visitors Bureau to be used to promote tourism in York County. The revenue from this tax is recognized when assessed for the government-wide financial statements and received in the governmental funds.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated adjustments due to future audits, reviews, and investigations by third-party payers. Adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as adjustments become known or as years are no longer subject to audits, reviews, and investigations.

Adoption of Governmental Accounting Standards Board Statements

The County adopted the requirements of GASB statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions"*. The adoption of this statement resulted in the reclassification of fund balances in the Balance Sheet – Governmental Funds and the modification of certain note disclosures.

The County adopted the requirements of GASB statement No. 59, *"Financial Instruments Omnibus"*. The adoption of this statement had no effect on previously reported amounts.

Pending Changes in Accounting Principles

In December 2009, the GASB issued Statement No. 57, *"OPEB Measurement by Agent Employers and Agent Multi-Employer Plans"*. The County is required to adopt the remaining provisions of statement No. 57 for its calendar year 2012 financial statements.

In November 2010, the GASB issued Statement No. 60, *"Accounting and Financial Reporting for Service Concession Arrangements"*. The County is required to adopt statement No. 60 for its calendar year 2012 financial statements.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (Continued)

Pending Changes in Accounting Principles (Continued)

In November 2010, the GASB issued Statement No. 61, *"The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34"*. The County is required to adopt statement No. 61 for its calendar year 2013 financial statements.

In December 2010, the GASB issued Statement No. 62, *"Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements"*. The County is required to adopt statement No. 62 for its calendar year 2012 financial statements.

In June 2011, the GASB issued Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"*. The County is required to adopt statement No. 63 for its calendar year 2012 financial statements.

In June 2011, the GASB issued Statement No. 64, *"Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53"*. The County is required to adopt statement No. 64 for its calendar year 2012 financial statements.

In March 2012, the GASB issued Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*. The County is required to adopt statement No. 65 for its calendar year 2013 financial statements.

In March 2012, the GASB issued Statement No. 66, *"Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62"*. The County is required to adopt statement No. 66 for its calendar year 2013 financial statements.

The County has not yet completed the various analysis required to estimate the financial statement impact of these new pronouncements.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk

As of December 31, 2011, the County had the following debt investments and maturities within its excess operating and agency fund accounts:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Fixed Income Mutual Funds	\$ 3,903,127	\$ -	\$ 3,903,127	\$ -	\$ -
Certificate of Deposit	100,017	100,017	-	-	-
U.S. Treasuries	512,895	-	-	512,895	-
U.S. Government Agencies	22,934,164	22,934,164	-	-	-
Municipal Bonds	17,881,452	2,735,047	4,286,405	2,010,000	8,850,000
Investment Derivatives	(21,943,188)	-	-	-	(21,943,188)
Total	<u>\$ 23,388,467</u>	<u>\$ 25,769,228</u>	<u>\$ 8,189,532</u>	<u>\$ 2,522,895</u>	<u>\$ (13,093,188)</u>

As of December 31, 2011, the County had the following debt investments and maturities within its retirement plan accounts:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Government Treasuries	\$ 21,516,862	\$ 817,038	\$ 2,441,178	\$ 18,258,646	\$ -
U.S. Government Agencies	10,226,278	-	546,922	2,740,261	6,939,095
Corporate Bonds	27,606,996	-	12,483,429	13,979,736	1,143,831
Total	<u>\$ 59,350,136</u>	<u>\$ 817,038</u>	<u>\$ 15,471,529</u>	<u>\$ 34,978,643</u>	<u>\$ 8,082,926</u>

All corporate bonds within the excess operating fund accounts and the retirement plan accounts are floating rate or auction rate notes that are liquid on a daily basis or putable within 7 days notice to the remarketing agent.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's Excess Operating Funds Investment Policy ("Operating Investment Policy") states that maturities shall be set to generally match the projected cash flow requirements for the County as determined by the County Controller, unless market conditions dictate otherwise.

See Note 8 for information on interest rate risk for the County's derivative instruments.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

The County's Retirement Plan Investment Policy ("Retirement Investment Policy") states that emphasis shall be placed on providing adequate and timely investment cash flow to permit benefit payments from the Retirement Plan when due. The average effective duration of fixed income securities shall be no more than 25% greater or less than the effective duration of the Barclay Capital Intermediate Term Government Credit/Index.

Credit Risk. The County's Operating Investment Policy limits investments in Federal Agency securities that carry direct or implied guarantees of the U.S. Government. State and municipal securities are limited to a rating of "A" or better. Commercial paper is limited to a minimum short-term rating of "A-1+" by Moody's or "P-1+" by Standard & Poor's. The Operating Policy limits mutual fund investments to those whose shares are registered under the Securities Act of 1933, provided that only investments of that company are in the authorized investments for County funds.

As of December 31, 2011, the County's operating investments in cash equivalents, fixed income mutual funds and U.S. Government Agencies were rated AAA by Standard & Poor's. \$949,865 (5%), \$2,151,642 (12%), and \$14,779,945 (83%) of the County's operating investments in municipal bonds as of December 31, 2011 were rated AAA, AA, and A respectively, by Standard & Poor's.

See Note 8 for information on credit risk for the County's derivative instruments.

The County's Retirement Investment Policy limits the average quality of fixed income securities to a minimum of "A2", the third broad investment grade as determined by Moody's. Investments in investment grade bonds (rated below Baa) are permissible but may not constitute more than 20% of the fixed income portfolio.

As of December 31, 2011, all of the County's retirement investments in cash equivalents and U.S. Government Agencies were rated AAA by Standard & Poor's. \$2,576,889 (9%), \$9,191,281 (33%), \$14,818,497 (54%), and \$1,020,329 (4%) of the County's retirement investments in corporate bonds as of December 31, 2011 were rated AAA, AA, A, and BAA respectively, by Standard & Poor's.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

Custodial Credit Risk. For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2011, \$40,673,493 of the County's deposits were exposed to custodial credit risk, as they were collateralized with securities held by the pledging financial institution and uninsured. None of the County's investments were exposed to custodial credit risk at December 31, 2011. The County does not have a written policy to limit its exposure to custodial credit risk.

Concentration of Credit Risk. The County's Operating Investment Policy does not allow a single issuer or guarantor to represent more than 10% of the total value of holdings at the time of acquisition, except for U.S. Government or Federal agency securities for which there is no limit.

The County's Retirement Investment Policy limits single investments in U.S. Treasury securities, Treasury zero coupon securities, and Federal Agency securities to 30%, 10%, and 10%, respectively, of the fixed income investments at market value. Other types of fixed income securities are limited to 5% for each single security and no issuer, other than the U.S. Government or Federal Agencies, may represent more than 5% of the total market value of the fixed income portfolio. The policy does not limit investments in U.S. Treasury Securities as a percentage of fixed income investments at market value. The policy does limit investments in Federal Agency Securities to 50% of the market value of the fixed income portfolio, with an investment in an individual Federal Agency not to exceed 25% of the value of the fixed income market portfolio.

More than 5% of the County's primary government investments are in the Federal Home Loan Bank. This investment is 10% of the County's primary government investments.

More than 5% of the County's government activities investments are in the Federal Home Loan Bank, Pennsylvania Economic Development, and Westmoreland County PA. These investments are 51%, 13%, and 5%, respectively, of the County's government activities investments.

More than 5% of the County's general fund investments are in Allegheny County Industrial Development Authority, Federal Home Loan Bank, and Montgomery County PA. These investments are 5%, 62%, and 7% of the County's general fund investments. More than 5% of the County's mental health/mental retardation fund investments are in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Pennsylvania Economic Development. These investments are 71%, 11%, and 14%, respectively, of the County's mental health/mental retardation fund investments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(2) Deposit and Investment Risk (Continued)

More than 5% of the County's health choices management fund investments are in Allegheny County PA, Pennsylvania Economic Development, and Westmoreland County PA. These investments total 6%, 16%, and 7%, respectively, of the County's health choices management fund investments. More than 5% of the County's nonmajor governmental funds investments are in the Pennsylvania Economic Development, Schuylkill County PA, and Westmoreland County PA. These investments are 22%, 5%, and 9%, respectively, of the County's nonmajor governmental funds investments.

None of the County's retirement investment concentrations exceeded 5%.

(3) Component Unit Deposit and Investment Risk

York County Solid Waste and Refuse Authority

All deposits and investments are carried at fair value, which are separated and detailed in this note by financial statement line classification. The YCSWRA currently has no formal investment policy; however, each fund holds specific requirements as detailed in each fund's respective section.

Cash and Short-Term Investments

As of December 31, 2011, the carrying values of the YCSWRA's cash deposits amounted to \$322,658 and the bank balances amounted to \$309,349. Of the bank balances, \$250,000 is covered by the Federal Deposit Insurance Corporation (FDIC) in the YCSWRA's name.

Bank balances are categorized as follows as of December 31, 2011:

Amount insured by federal depository insurance	\$ 250,000
Collateralized with securities held by the pledging financial institution's trust department held in the YCSWRA's name	<u>59,349</u>
	<u>\$ 309,349</u>

Bank balances are collateralized under Pennsylvania Act 72. Pennsylvania Act 72 allows for bank-owned securities to be pledged on a pooled basis to collateralize public funds.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Cash and Short-Term Investments (Continued)

Short-term investments consist of the following as of December 31, 2011:

Securities held by the pledging financial institution's trust department, but in the YCSWRA's name	<u>\$ 2,426,899</u>
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Indentured Trust Funds

All proceeds of the Solid Waste System Refunding Revenue Bonds, Series of 1997, are held by M&T Investment Group, as Trustee, in the YCSWRA's name. Payments are disbursed only upon delivery of properly executed requisitions to the Trustee, in accordance with the Indenture of Mortgage and Trust, dated November 1, 1997 (Indenture).

All monies held by the Trustee in funds established under the Indenture are pledged as collateral for the Series of 1997 bonds. In accordance with Section 5.01 of the Indenture, all revenue of the YCSWRA, from whatever source derived, is to be deposited into the Revenue Fund, and transferred out in amounts sufficient to fund operating expenses and contractual obligations. Amounts not required for operating purposes are restricted for use by the Trustee to fulfill the requirements of the Indenture.

Indentured Trust Funds consist of the following at December 31, 2011:

At fair value:	
Cash equivalents	\$ 2,521,996
U.S. Government and Agency investments	122,654,442
County of York, PA - general obligation note	10,940,002
	<u>\$ 136,116,440</u>
Current portion	\$ 127,034,099
Non-current portion	9,082,341
	<u>\$ 136,116,440</u>

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Closure Funds

Section 1109 Trust Fund

Under Section 1109 of Act 101, any municipal authority operating a landfill solely for municipal waste not classified as hazardous is required to establish an interest bearing trust account with an accredited financial institution. This trust money may be used only for completing the final closure and post closure care of the landfill. No withdrawals may be made from the trust until closure of the landfill. Any money remaining in the trust subsequent to certification of final closure of the landfill will be returned to the YCSWRA. All monies are held by Fulton Financial Advisors, as Trustee, in YCSWRA's name.

Collateral Bond

Under Act 97, any permittee/operator of a waste management facility is required to establish a collateral bond pledged to the Pennsylvania Department of Environmental Protection. This money is available for use for closure of the Resource Recovery Center (Center) and to prevent and correct potential adverse environmental effects from the operation of the Center. Liability under this bond shall continue through the duration of the processing and/or disposal of solid waste and for a period of ten years after final approved closure of the Center. The collateral shall remain in effect until such time as the Pennsylvania Department of Environmental Protection shall, in writing, release such liability and obligations. The collateral bond is held by the Pennsylvania Department of Environmental Protection in the name of the Authority.

Closure funds consist of the following as of December 31, 2011:

At fair value:

Section 1109 trust Fund	\$ 6,469,921
Collateral Bond	436,886
	<u>\$ 6,906,807</u>

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Self-Insurance Trust Fund

Section 1107 of Act 101 requires municipal authorities to provide financial assurances for satisfying claims of bodily injury and property damage resulting from pollution occurrences arising from the operation of a landfill or resource recovery facility. Municipal authorities may self-insure against such claims. The YCSWRA established a self-insurance fund in 1992 for the purpose of paying claims to third parties. The establishment of the self-insurance fund and procedures there under are in accordance with regulations by the Pennsylvania Department of Environmental Protection which require the fund to be maintained at a minimum of \$2,000,000. All funds are held by M&T Investment Group, as Trustee, in the YCSWRA's name.

Self-insurance trust fund consists of the following as of December 31, 2011:

At fair value:

Cash equivalents	\$ 27,327
U.S. Government and Agency Investments	257,845
Fixed income funds	2,409,405
	<u>\$ 2,694,577</u>

Landfill Trust Fund

In accordance with an agreement dated December 9, 1985, between Stewartstown Borough (the Borough) and Stewartstown Borough Authority, and the YCSWRA, the Borough will accept pretreated leachate from the YCSWRA's landfill in Hopewell Township for treatment at the Borough's sewage treatment plant. In order to insure continued operation of pretreatment facilities satisfactory to the Borough in the event the YCSWRA ceases to exist, the YCSWRA has established a Trust Fund in the amount of \$100,000 and \$.50 per ton for each ton of refuse deposited at the landfill. The YCSWRA ceased utilizing the landfill for ash disposal as of December 31, 1997. The funds are restricted for use by the Borough in the event the YCSWRA fails to meet its obligations to the Borough, as set forth in the Agreement. The Trust Fund shall continue until the Pennsylvania Department of Environmental Protection and the engineer for Stewartstown Borough determine that further collection and treatment of leachate is unnecessary, or until the YCSWRA purchases an insurance policy in terms, conditions, and amounts

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Landfill Trust Fund (Continued)

acceptable to and for the benefit of the Borough. At that time, the Trust Fund may be terminated and the monies returned to the YCSWRA. All monies are held by M&T Investment Group, as Trustee.

The Landfill Trust Fund consists of the following as of December 31, 2011:

At fair value:

Stewartstown Borough Trust Fund

Cash equivalents \$ 791,281

Interest Rate Risk

The YCSWRA's investments consist of the following as of December 31, 2011:

Investment Type	Maturity Date	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Cash and cash equivalents:					
U.S. Government Money Market Inst II Fund #904		3,313,279	-	-	-
Federated Treasury Obligation MMF #395		620,004	-	-	-
Money Market Inst I Fund #420		27,327	-	-	-
Debt Securities:					
FHLB	01/09/12	250,080	-	-	-
FHLB	08/23/12	1,484,421	-	-	-
FHLB	08/23/12	1,384,460	-	-	-
FHLB	08/23/12	5,422,884	-	-	-
FHLB	08/23/12	6,387,508	-	-	-
FHLB	08/23/12	5,018,042	-	-	-
FHLMC	08/16/12	4,113,519	-	-	-
FHLMC	08/16/12	6,257,746	-	-	-
FHLMC	08/16/12	15,629,371	-	-	-
FHLMC	08/16/12	25,890,676	-	-	-

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Interest Rate Risk (Continued)

Debt Securities(Continued):	Maturity Dates	December 31, 2011			
		Less Than 1	5-Jan	10-Jun	More Than 10
FHLMC	08/16/12	13,865,007	-	-	-
Short Duration Government Bond Inst I Fund #120		2,565,110	-	-	-
Treasury Inflation Protected Securities Series IX	07/15/13	-	257,845	-	-
MTB PA Municipal Bond - Inst I Fund #476		2,271,194	-	-	-
United States Treasury Note	9/30/2012	436,886	-	-	-
United States Treasury Note	10/31/2012	916,821	-	-	-
United States Treasury Note	10/31/2012	856,701	-	-	-
United States Treasury Note	10/31/2012	3,351,657	-	-	-
United States Treasury Note	10/31/2012	3,932,811	-	-	-
United States Treasury Note	10/31/2012	3,096,149	-	-	-
United States Treasury Note	8/15/2013	-	2,566,174	-	-
United States Treasury Note	8/15/2013	-	10,587,360	-	-
United States Treasury Note	8/15/2013	-	3,070,334	-	-
United States Treasury Note	8/15/2013	-	8,822,800	-	-
United States Treasury Note	08/15/21	-	-	512,895	-
GS Short Dur Gov In (447)		1,183,815	-	-	-
Vanguard Intermd Treas Admrl (535)		1,165,754	-	-	-
Vanguard Short-Term Treas - Adm #532		2,737,374	-	-	-
County of York, PA General Obligation Note	11/01/29	405,000	2,330,000	2,910,000	5,295,000
		<u>\$112,583,596</u>	<u>\$27,634,513</u>	<u>\$3,422,895</u>	<u>\$5,295,000</u>

Credit Risk

As of December 31, 2011, all of the YCSWRA's rated investments in debt securities were rated Aaa by Moody's and AAA or AA by Standard & Poor's.

Custodial Credit Risk

For deposits and short-term investments, custodial risk is the risk that in the event of the failure of the counterparty, the YCSWRA will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. As of December 31, 2011, \$2,486,248 of the YCSWRA's deposits and short-term investments were exposed to custodial credit risk.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Solid Waste and Refuse Authority (Continued)

Concentration of Credit Risk

The YCSWRA places no limit on the amount that may be invested in any one issuer. As of December 31, 2011, more than 5% of the YCSWRA's investments are in Federal Home Loan Mortgage Group, United States Treasury Notes, Federal Home Loan Bank, County of York, PA General Obligation Note, and Federal National Mortgage Association. As of December 31, 2011, these investments are 44.15%, 25.62%, 13.39%, 7.35%, and 0.00% respectively, of the YCSWRA's total investments.

York County Industrial Development Authority

The Authority is governed by the deposit and investment limitations of Commonwealth of Pennsylvania (Commonwealth) law. The Commonwealth requires the Authority to adopt an investment policy. The Authority's investment policy follows those requirements set forth by the Commonwealth. The Authority does not invest in any securities not approved by the Commonwealth.

Commonwealth statutes require that any depository holding public funds maintain investment securities in amounts equal to the total of all public funds on deposit. The securities may be held in the name of the depository, but must be pledged as collateral for those public funds.

Section 5611 of the Pennsylvania Municipal Authority Code authorizes the types of investments Authorities may have:

- United States of America Treasury bills.
- Short-term obligations (less than 13 months) of the United States of America or its agencies or instrumentalities.
- Deposits in savings accounts, time deposits, or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC), the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Industrial Development Authority (Continued)

- Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth or any of its agencies or instrumentalities. These investments include any bonds issued by the Commonwealth or any municipality or school Authority carrying the backing of the taxation powers of the governmental unit issuing the debt.
- Shares of an investment company registered under the Investment Company Act of 1940 whose shares are registered under the Securities Act of 1933 if the only investments of that company are in the authorized investments for municipal authority's funds listed above.
- Sovereign debt if the instruments are dollar denominated and backed by the full faith and credit of the sovereign government and if the investments do not exceed more than two percent of the market value of the municipal authority's assets at the time of investment and if the maturity of the instruments does not exceed 15 years and if the obligations are permitted investments of the State Employees' Retirement System and it is established that the issuer had issued such sovereign debt over a period of at least 30 years and has not defaulted on any payment on its obligations.

Deposits

The deposits held at December 31, 2011 were as follows:

<u>Type</u>	<u>Maturities</u>	<u>Carrying Value</u>
Demand Deposits		\$ 45,096
	05/2014-	
Time Deposits; 1.34% to 3.2%	11/2016	560,000
		<u>\$ 605,096</u>

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Industrial Development Authority

Custodial Credit Risk

Deposits in financial institutions had a bank balance of \$836,140 at December 31, 2011, \$16,977 of which was exposed to custodial credit risk, which were uninsured but collateralized by securities pledged and held by the financial institutions' trust departments or agents, not in the Authority's name, in accordance with Commonwealth law.

Investments

The Authority's investments, reported at fair value, consisted of the following as of December 31, 2011:

	Investment Maturities (in Years)				Fair Value
	Less than 1	1-5	6-10	More than 10	
Money Market Investments	\$ 27,948	\$ -	\$ -	\$ -	\$ 27,948
Federal Home Loan Mortgage Corporation	-	100,278	-	-	100,278
Federal Home Loan Bank	457,494	605,401	-	-	1,062,895
Federal National Mortgage Association	70,222	689,835	-	-	760,057
U.S. Treasury Notes	607,700	1,791,765	-	-	2,399,465
	<u>\$ 1,163,364</u>	<u>\$ 3,187,279</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,350,643</u>

As of December 31, 2011, all of the Authority's investments were rated AAA by Moody's and Standard & Poor's (unaudited). U.S. Treasury Notes are issued by the U.S. Government.

Custodial Credit Risk

Custodial credit risk is the risk that the counterparty to an investment transaction will fail and the government will not recover the value of the investment or collateral securities that are in possession of an outside party. The Authority does not have a formal investment policy for any fund for custodial credit risk. All of the Authority's investments are held by the financial institutions' trust departments or agents in the Authority's name.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Industrial Development Authority (Continued)

Custodial Credit Risk (Continued)

The institution holding the Authority's investments is a member of the Securities Investor Protection Corporation (SIPC). SIPC insures the cash and securities in each investor's account up to \$500,000 against loss in the case of a failed brokerage firm or misappropriation of assets by the broker, however only up to \$250,000 for cash investments. The Authority has over \$500,000 in investments at the institution, thus would be insured up to \$500,000 by the SIPC in the event such failure or misappropriation occurs.

Interest Rate Risk

The Authority has a formal investment policy which states that at the time of purchase, the maximum final maturity for any single issue should be between five and seven years, depending on whether there is a significant benefit to having a seven year maturity date. Also, the investment policy states that ladder maturity dates may not exceed an average maturity of five years. Maturities of investments held at December 31, 2011 are provided in the previous schedule.

Credit Risk and Concentration of Credit Risk

The Authority's investment policy sets limits as to the levels of allowable concentration risk. The money market portion of the investment portfolio is not to exceed one percent of the total portfolio. The Federal National Mortgage Association portion may not exceed 20% of the total investment portfolio. No portion, except for United States Treasury Notes, shall exceed 40% of the total investment portfolio.

At December 31, 2011, more than five percent of the Authority's investments were in Federal Home Loan Bank and Federal National Mortgage Association securities. As of December 31, 2011, these investments were 24.43% and 17.47%, respectively, of the Authority's total investments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Library System

As of December 31, 2011, the Library System had the following cash and cash equivalents and debt investments with their respective maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
Cash Equivalents	\$ 11,737	\$ 11,737	\$ -	\$ -
Corporate Bonds	25,115	25,115	-	-
Fixed Income Mutual Funds	325,170	28,992	93,792	202,386
Mutual Funds	542,467	N/A	N/A	N/A
Total	<u>\$ 904,489</u>	<u>\$ 65,844</u>	<u>\$ 93,792</u>	<u>\$ 202,386</u>

In addition to cash equivalents and investments, an additional cash balance of \$157,732 is reported on the balance sheet. Total cash equivalents and investments are reported as follows:

Cash and Cash Equivalents	\$ 169,469
Investments	892,752
	<u>\$ 1,062,221</u>

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Library's System investment policy is to invest funds to meet the projected future cash flow requirements.

Credit Risk

The Library's System's investment policy is for fixed income securities purchases to be of at least investment grade B.

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Library System (Continued)

As of December 31, 2011, the Library System's investments had credit quality ratings by Standard and Poor's as follows:

<u>Investment Type</u>	<u>Credit Quality Rating</u>	<u>Percent of Investment Type</u>
Corporate Bonds	A	100%
Fixed Income Mutual Funds	AAA	12%
Fixed Income Mutual Funds	A	68%
Fixed Income Mutual Funds	BB	6%
Fixed Income Mutual Funds	B	14%

Custodial Credit Risk

For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Library System will be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2011, \$0 of the Library System's cash in bank of \$169,469 was collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the Library System's name. The cash equivalents, which are money market funds, are not categorized.

Concentration of Credit Risk

The Library's System's investment policy is investments in any one fixed income security may not exceed 10% of the total market value of the portfolio, with the exception of U.S. Government and its agencies, for which there is no limit. More than 5% of the Library System's investments are in PIMCO and MTB Short Term Bond Corp (Fixed Income Mutual Fund). These investments are 16% and 5% of the Library System's total investments.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(3) Component Unit Deposit and Investment Risk (Continued)

York County Planning Commission

Cash and temporary investments include the following as of December 31, 2011:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Cash	\$ 4,479,618	\$ 4,680,816
PLGIT	838,933	838,933
	<u>\$ 5,318,551</u>	<u>\$ 5,519,749</u>

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Commission does not have a formal policy for custodial credit risk. As of December 31, 2011, the book balance of the Commission's deposits was \$5,318,551 and the bank balance was \$5,519,749. Of the bank balances at December 31, 2011, \$250,000 was covered by federal depository insurance and \$4,430,816 was collateralized under Act No. 72 (Act) of the 1971 Session of the Pennsylvania General Assembly, in which financial institutions were granted the authority to secure deposits of public bodies by pledging a pool of assets, as defined in the Act, to cover all public funds deposited in excess of federal depository insurance limits. At December 31, 2011 838,933 is invested in an external investment pool with PLGIT.

PLGIT separately issues audited financial statements which are available to the public. The fair value of the Commission's position in the external investment pool is equivalent to the value of the pool shares. The Commonwealth is the formal external regulatory oversight for the external investment pool. At December 31, 2011, PLGIT carried an AAA rating and had an average maturity of less than one year.

Concentration of Credit Risk

The Commission places no limit on the amount the Commission may invest in any one issuer. All of the Commission's temporary investments consist of temporary investments with PLGIT (15.77%).

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(4) Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 and are levied and recorded as a receivable on February 15. Taxes are collected at a discount until April 15, at their face amount from April 16 until June 15, and include a penalty thereafter. Taxes are collected by elected tax collectors. The County collects delinquent taxes on behalf of itself and other taxing authorities.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy property taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on funded debt. The property tax rate for 2011 was 4.15 mills with .1 mill pertaining to a dedicated library tax.

The County recorded an allowance for uncollectible taxes of \$440,737 as of December 31, 2011. This represents the County's estimate of taxes earned but ultimately expected not to be collected.

(5) Component Unit Contract Receivable/Deferred Contract Income

On November 11, 1998, the YCSWRA executed a Consent to Assignment and Termination and Release Agreement (Agreement) with Viacom, Inc. (formerly known as CBS Corporation). Under the terms of the Agreement, Viacom agreed to pay to YCSWRA a termination fee of \$42,000,000 in exchange for a full release of all of its obligations under a 1991 agreement to operate the Resource Recovery Center. The YCSWRA simultaneously executed a service agreement with Montanay York Resource Energy Systems, LLC (MYRES) to operate the Resource Recovery Center. The YCSWRA paid monthly service fees to MYRES, which in the aggregate amounted to \$21,666,924 for the year ended December 31, 2011.

Under the terms of the Agreement with Viacom, the YCSWRA will receive \$42,000,000 payable in seventeen installments of amounts ranging between \$1,000,000 and \$3,000,000. Payment of \$3,000,000 was received in the year ended December 31, 2011. All contract payments are recorded in other income to offset operating costs to be charged by MYRES to the YCSWRA.

Using a 9% discount rate, the present value of the future cash flows of \$7,593,884 is recorded as a contract receivable, with \$2,316,550 being shown as the current portion as of December 31, 2011. Similar amounts are recorded as deferred contract revenue which will be amortized to income as payments are received from Viacom.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Capital Assets

A summary of changes in the capital assets for the year ended December 31, 2011 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities				
Capital assets not being depreciated (cost):				
Land	\$ 53,144,964	\$ 65,588	\$ -	\$ 53,210,552
Construction in progress	7,104,570	3,178,469	6,261,085	4,021,954
Easements	17,717,054	260,517	-	17,977,571
Total capital assets not being depreciated	77,966,588	3,504,574	6,261,085	75,210,077
Capital assets being depreciated (cost):				
Buildings and improvements	194,628,288	8,055,277	-	202,683,565
Furniture, fixtures, and equipment	12,943,031	1,949,051	189,412	14,702,670
Bridges, roads, and rail trail	22,091,163	1,138,724	-	23,229,887
Total capital assets being depreciated	229,662,482	11,143,052	189,412	240,616,122
Less accumulated depreciation for:				
Buildings and improvements	49,451,464	4,739,691	-	54,191,155
Furniture, fixtures, and equipment	10,390,439	1,407,089	177,160	11,620,368
Bridges, roads, and rail trail	13,846,675	570,523	-	14,417,198
Total accumulated depreciation	73,688,578	6,717,303	177,160	80,228,721
Total capital assets being depreciated, net	155,973,904	4,425,749	12,252	160,387,401
Total capital assets, governmental activities	\$ 233,940,492	\$ 7,930,323	\$ 6,273,337	\$ 235,597,478
Business-type activities				
Capital assets not being depreciated (cost):				
Land	\$ 260,065	\$ -	\$ -	\$ 260,065
Construction in Progress	30,518,636	272,946	30,183,929	607,653
Total capital assets not being depreciated	30,778,701	272,946	30,183,929	867,718
Capital assets being depreciated (cost):				
Buildings and improvements	37,282,408	325,895	-	37,608,303
Leasehold assets	997,500	-	-	997,500
Furniture, fixtures, and equipment	20,166,388	30,362,206	21,904	50,506,690
Total capital assets being depreciated	58,446,296	30,688,101	21,904	89,112,493
Less accumulated depreciation for:				
Buildings and improvements	7,488,105	1,187,957	-	8,676,062
Furniture, fixtures, and equipment	12,597,214	1,571,529	21,904	14,146,839
Leasehold assets	764,750	199,500	-	964,250
Total accumulated depreciation	20,850,069	2,958,986	21,904	23,787,151
Total capital assets being depreciated, net	37,596,227	27,729,115	-	65,325,342
Total capital assets, business-type activities	\$ 68,374,928	\$ 28,002,061	\$ 30,183,929	\$ 66,193,060

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(6) Capital Assets (Continued)

	Beginning Balance	Additions	Reductions	Ending Balance
Component units				
Capital assets not being depreciated (cost):				
Land	\$ 7,641,400	\$ 408,215	\$ -	\$ 8,049,615
Construction in progress	6,351,540	2,405,526	-	8,757,066
Total capital assets not being depreciated	13,992,940	2,813,741	-	16,806,681
Capital assets being depreciated (cost):				
Buildings and improvements	160,126,636	257,796	-	160,384,432
Furniture, fixtures, and equipment	7,532,759	251,591	-	7,784,350
Total capital assets being depreciated	167,659,395	509,387	-	168,168,782
Less accumulated depreciation for:				
Buildings and improvements	111,741,106	6,135,133	-	117,876,239
Furniture, fixtures, and equipment	4,796,691	692,963	-	5,489,654
Total accumulated depreciation	116,537,797	6,828,096	-	123,365,893
Total capital assets being depreciated, net	51,121,598	(6,318,709)	-	44,802,889
Total capital assets, business-type activities	\$ 65,114,538	\$ (3,504,968)	\$ -	\$ 61,609,570

Depreciation expense was charged to functions/programs of the County as follows:

Governmental activities	
Public safety	\$ 2,070,231
General government	1,197,322
Judicial	2,222,584
Health, education, and welfare	420,726
Road and bridges	572,028
Cultural and recreation	234,412
Total depreciation expense – governmental activities	<u>\$ 6,717,303</u>

Business-type activities	
County Nursing Home Fund	\$ 863,067
911 Fund	2,095,919
Total depreciation expense - business-type activities	<u>\$ 2,958,986</u>

Component units	
York County Planning Commission	\$ 34,319
York County Library System	301,287
York County Industrial Development Authority	981,698
York County Solid Waste and Refuse Authority	5,510,792
Total depreciation expense - component units	<u>\$ 6,828,096</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended December 31, 2011:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation debt	\$ 188,066,334	\$ 7,037,755	\$ 3,963,066	\$ 191,141,023	\$ 4,123,261
Litigation liability	3,500,000	-	1,000,000	2,500,000	1,000,000
Unamortized bond premium	1,288,056	-	56,134	1,231,922	56,134
Liability for workers' compensation self-insurance	1,679,266	1,524,419	660,866	2,542,819	254,282
Compensated absences	3,776,397	3,228,712	2,863,848	4,141,261	3,045,742
Liability for other postemployment benefits	11,322,410	7,270,421	4,250,509	14,342,322	-
Liability for pension benefits	3,208,598	8,570,886	7,990,395	3,789,089	-
	<u>\$ 212,841,061</u>	<u>\$ 27,632,193</u>	<u>\$ 20,784,818</u>	<u>\$ 219,688,436</u>	<u>\$ 8,479,419</u>
Business-type activities					
General obligation debt	\$ 50,258,666	\$ -	\$ 1,624,283	\$ 48,634,383	\$ 1,700,966
Unamortized bond premium	1,248,701	-	54,291	1,194,410	54,291
Liability for workers' compensation self-insurance	1,373,945	-	614,402	759,543	75,954
Compensated absences	762,200	641,436	574,145	829,491	610,060
Liability for other postemployment benefits	5,421,902	3,490,218	2,093,534	6,818,586	-
Liability for pension benefits	1,591,063	2,155,600	2,009,605	1,737,058	-
Capital lease obligation	207,962	-	207,962	-	-
	<u>\$ 60,864,439</u>	<u>\$ 6,287,254</u>	<u>\$ 7,178,222</u>	<u>\$ 59,973,471</u>	<u>\$ 2,441,271</u>

Compensated absences, the liability for workers' compensation self-insurance, the net pension obligation, and the net postemployment benefit obligation are liquidated by the general fund, children & youth fund, mental health/mental retardation fund, and certain other nonmajor funds.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

Governmental activities general obligation debt consisted of the following individual issues at December 31, 2011 (Payable from General Fund Tax Revenues):

\$22,535,000 Series of 2003 – general obligation bonds with interest due semiannually June 1 and December 1 at various annual rates from 1.50% to 4.75%. Principal due in annual installments on June 1, increasing from \$5,000 in 2006 to \$2,565,000 in 2033.	\$ 20,385,000
\$74,890,000 Series of 2006 – general obligation bonds (\$21,836,334 for Governmental Activities and \$50,258,666 for Business-Type Activities) with interest on the outstanding balance due semiannually June 1, and December 1 at various annual rates from 3.25% to 5.00%. Principal due in annual installments on June 1, increasing from \$345,000 in 2008 to \$16,825,000 in 2033.	21,130,617
\$11,700,000 Series A of 2009 – general obligation note with interest on the outstanding balance due semi-annually on May 1 and November 1 at a fixed rate equal to 4.63% for the period November 1, 2009 to November 1, 2014. After November 1, 2014, the interest rate will be variable rate equal to the Wall Street Prime Rate plus 500 basis points, not to exceed 15%. Principal due in annual installments on November, increasing from \$370,000 in 2010 to \$825,000 in 2029.	10,940,000
\$52,550,000 Series of 2010 – general obligation bonds with interest due semiannually June 1 and December 1 at various annual rates from 2.00% to 5.00%. Principal due in annual installments on June 1, increasing from \$105,000 in 2011 to \$44,735,000 in 2036.	52,445,000
\$17,975,000 Series 1 of 2010 – general obligation notes with interest due semiannually June 1 and December 1 at a rate of 65% of 1-month LIBOR plus 100 basis points. Principal due in annual installments on June 1, increasing from \$605,000 in 2011 to \$16,740,000 in 2013.	17,370,000
\$29,780,000 Series 2 of 2010 – general obligation notes with interest due semiannually June 1 and December 1 at a rate of 65% of 1-Month LIBOR plus 100 basis points. Principal due in annual installments on June 1, increasing from \$720,000 in 2011 to \$28,300,000 in 2013.	29,060,000
\$33,085,000 Series 3 of 2010 – general obligation notes with interest due semiannually June 1 and December 1 at a rate of 65% of 1-month LIBOR plus 100 basis points. Principal due in annual installments on June 1, increasing from \$345,000 in 2011 to \$32,380,000 in 2013.	32,740,000
\$3,293,000 Series A of 2010 – general obligation note with interest on the outstanding balance due monthly at a fixed rate equal to 4.50%. Principal due in monthly installments increasing from 7,265 in November 2012 to \$17,995 in October 2032.	3,275,651
\$20,000,000 Series of 2011 – general obligation note with interest on the outstanding balance due quarterly at a variable rate equal to 65% of 1 month LIBOR plus 85 basis points. Principal due on maturity on April 15, 2013.	3,794,755
Total general obligation debt	<u>\$ 191,141,023</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

The General Obligation Notes Series A of 2010, Series B of 2010, Series C of 2010, and the General Obligation Bonds Series of 2006 descriptions described in the table above do not reflect the swap transactions disclosed in Note 8. However, the amounts of those bonds are reflective of the swap transactions described in Note 8.

In October 2010, the County issued General Obligation Notes, Series A of 2010, in the amount of \$3,293,000. The principal of this note is payable in monthly installments beginning on October 2012 until maturity, on October 26, 2032. Interest only will be payable monthly on the Notes during the two-year draw-down period. Interest payments on the outstanding principal shall be due monthly, beginning on November 26, 2010. The interest rate is a fixed rate equal to 4.50%. The proceeds of the note are being used to finance an affordable housing project known as the Keystone Weaving Mill Redevelopment Project and to pay issuance costs of \$10,000. The County draws on the note as needed to fund the Keystone Weaving Mill Redevelopment Project. The principal balance outstanding on the note at December 31, 2010 was \$50,000. During 2011, the County drew down the remaining available note proceeds of \$3,243,000 and paid principal on the note in the amount of \$17,349. The principal balance outstanding on the note at December 31, 2011 was \$3,275,651.

In April 2011, the County issued General Obligation Note, Series of 2011, in the amount of \$20,000,000. The principal of this note is payable in full, upon maturity, on April 15, 2013. Interest payments on the outstanding principal are due quarterly, beginning on July 15, 2011. The interest rate on the Series of 2011 notes is a variable rate of 65% of 1 month LIBOR plus 85 basis points, not to exceed 12%. The proceeds of the note will be used for the acquisition and construction of: (1) District Magistrate Offices, (2) improvements to the County's Government Center, (3) expansion of the County archives, (4) renovations to the County Prison, (5) a new prison work release facility, (6) other capital improvements and facilities of the County, and to pay related expenses of issuing the note. The County draws on the note as needed to fund the various capital projects. The principal balance outstanding on the note at December 31, 2011 was \$3,794,755.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

The annual requirements to amortize Governmental Activities general obligation bonds outstanding for the year ended December 31, 2011 are as follows, *assuming current interest rates remain the same*:

	Principal	Interest and Remarketing Costs	Total
2012	\$ 4,123,261	\$ 6,007,123	\$ 10,130,384
2013	83,739,011	5,295,955	89,034,966
2014	2,619,358	4,833,905	7,453,263
2015	2,725,711	5,061,691	7,787,402
2016	2,838,786	4,913,834	7,752,620
2017-2021	15,366,775	22,119,251	37,486,026
2022-2026	13,638,156	17,953,669	31,591,825
2027-2031	13,116,238	13,879,172	26,995,410
2032-2036	52,973,727	7,579,388	60,553,115
	<u>\$ 191,141,023</u>	<u>\$ 87,643,988</u>	<u>\$ 278,785,011</u>

Business-Type Activities general obligation debt consisted of the following individual issues at December 31, 2011:

	<u>General Obligation Debt</u>
\$74,890,000 Series of 2006 – general obligation bonds (\$21,836,334 for Governmental Activities and \$50,258,666 for Business-Type Activities) with interest on the outstanding balance due semiannually June 1, and December 1 at various annual rates from 3.25% to 5.00%. Principal due in annual installments on June 1, increasing from \$345,000 in 2008 to \$16,825,000 in 2033.	<u>\$ 48,634,383</u>
Total general obligation debt	<u>\$ 48,634,383</u>

The Series of 2006 descriptions described in the table above do not reflect the swap transactions disclosed in Note 8.

County of York, Pennsylvania

Notes to Required Supplementary Information

(7) Long-Term Liabilities (Continued)

The annual requirements to amortize Business-Type Activities general obligation bonds outstanding for the year ended December 31, 2011 are as follows, *assuming current interest rates remain the same*:

	Principal	Interest and Remarketing Costs	Total
2012	\$ 1,700,966	\$ 2,329,081	\$ 4,030,047
2013	1,781,135	2,257,212	4,038,347
2014	1,875,245	2,172,482	4,047,727
2015	1,983,298	2,076,018	4,059,316
2016	2,094,837	1,979,302	4,074,139
2017-2021	11,143,419	8,214,933	19,358,352
2022-2026	9,254,230	5,794,396	15,048,626
2027-2031	7,072,254	3,188,014	10,260,268
2032-2036	11,728,999	317,364	12,046,363
	<u>\$ 48,634,383</u>	<u>\$ 28,328,802</u>	<u>\$ 76,963,185</u>

As determined under the Commonwealth of Pennsylvania Local Government Unit Debt Act of 1972, the nonelectoral debt limit of the County at December 31, 2011 was \$1,011,718,068 compared to \$239,775,406 of related outstanding debt. Total debt of the component units consisted of the following individual issues as of December 31, 2011:

	York County Solid Waste and Refuse Authority (YCSWRA)	York County Industrial Development Authority (Authority)	Total Component Units
Solid Waste System Refunding Revenue Bonds, Series of 1997; collateralized under the Indenture of Mortgage and Trust by and between YCSWRA and M&T Investment Group; due 1998 through 2014.	\$ 26,355,000	\$ -	\$ 26,355,000
Note payable for the Marketview Arts Center improvement project; loan agreement with a private lender; due 7/19/2023	-	800,000	800,000
Line of credit with Integrity Bank	-	966,253	966,253
	<u>26,355,000</u>	<u>1,766,253</u>	<u>28,121,253</u>
Plus: unamortized premium	173,544	-	173,544
Less: current portion	8,245,000	966,253	9,211,253
	<u>\$ 18,283,544</u>	<u>\$ 800,000</u>	<u>\$ 19,083,544</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(7) Long-Term Liabilities (Continued)

The following is a summary of changes in component unit long-term debt discussed below for the year ended December 31, 2011:

Balance at January 1, 2011	\$ 34,214,165
Additions	1,657,088
Reductions	(7,750,000)
Balance at December 31, 2011	<u>\$ 28,121,253</u>

The Authority issued Revenue Bonds to provide financial assistance to public and non-profit entities, facilities, and companies located in York County, Pennsylvania for projects deemed to be in the public interest. The Bonds are secured by the projects financed and are payable solely from payments received on the underlying mortgage loans. Although the conduit debt obligations bear the name of the Authority, the Authority has no obligation for such debt beyond the resources provided by related leases or loans with the third party on whose behalf they are issued. Accordingly, the debt instruments are not reported as liabilities in the accompanying financial statements.

At December 31, 2011, there were 29 series of Revenue Bonds outstanding with aggregate principal amounts payable of \$111,298,918, which includes \$3,200,000 payable from the York County Economic Development Corporation. The County has guaranteed the debt of the York County Economic Development Corporation.

The annual requirements to amortize maturities of component unit long-term debt outstanding for the year ended December 31, 2011, assuming no change in current terms, are as follows:

	<u>Principal</u>
2012	\$ 9,211,253
2013	8,750,000
2014	9,360,000
2021-2025	800,000
	<u>\$ 28,121,253</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps

The County is a party to contracts for various derivative instruments, as discussed below.

At December 31, 2011, the County has the following derivative instruments outstanding:

		<u>Fair Value</u>		<u>Changes in Fair Value</u>	
	<u>Current Notional Amount</u>	<u>Classification</u>	<u>Amount</u>	<u>Classification</u>	<u>Amount</u>
Governmental Activities					
Investment Derivatives:					
2005 Pay-Fixed Interest Rate Swap	\$ 17,370,000	Investment	\$ (4,107,065)	Unrestricted Investment Loss	\$ (1,928,208)
2003 Pay-Fixed Interest Rate Swap	\$ 29,060,000	Investment	\$ (6,627,801)	Unrestricted Investment Loss	\$ (3,780,221)
2005 Pay-Fixed Interest Rate Swap	\$ 32,740,000	Investment	<u>\$(10,228,145)</u>	Unrestricted Investment Loss	<u>\$ (5,800,804)</u>
Total Pay-Fixed Interest Rate Swaps			<u>\$(20,963,011)</u>		<u>\$(11,509,233)</u>
2006 Basis Swap	\$ 69,765,000	Investment	<u>\$ (980,177)</u>	Unrestricted Investment Loss	<u>\$ 707,607</u>
Total Investment Derivatives			<u>\$(21,943,188)</u>		<u>\$(10,801,626)</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

The fair values of the swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

Terms of derivative instruments

The following table displays the terms of the County's derivative instruments outstanding at December 31, 2011, along with the credit rating of the counterparty.

	Type	Current Notional Amounts	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
2005	Pay-fixed interest rate swap	\$ 17,370,000	12/01/10	06/01/30	Pay 4.3435%; receive 87.3% of 1-Month LIBOR	Aa1 / AA-
2003	Pay-fixed interest rate swap	\$ 29,060,000	12/02/10	06/02/31	Pay 4.06%; receive 87.5% of 1-Month LIBOR	Aa1 / AA-
2005	Pay-fixed interest rate swap	\$ 32,740,000	12/01/10	06/01/33	Pay 4.43%; receive 88.3% of 1-Month LIBOR	Aa1 / AA-
2006	Basis Swap	\$ 69,765,000	02/22/06	06/01/33	Pay SIFMA; receive 67% of LIBOR plus 42.39 basis points	Aa1 / AA-

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(8) Interest Rate Swaps (Continued)

Derivative Instrument Risks

Credit risk. As of December 31, 2011, the County was not exposed to credit risk because the swaps all had negative fair values. However, should interest rates change and the fair value of the swaps become positive, the County would be exposed to credit risk in the amount of the derivative's fair value. The County executes its derivative instruments with one counterparty that comprises 100% percent of its net exposure to credit risk. As of December 31, 2011, the counterparty was rated Aa1 by Moody's Investors Service, and AA- by Standard & Poor's.

The County's Master Swap Agreement contains netting provisions applicable to circumstances where the County enters into more than one derivative transaction with a single counterparty. Under these netting provisions, should one party become insolvent or otherwise default on its obligations, the close-out netting provisions permit the nondefaulting party to terminate all affected transactions and net any settlement amounts payable so that a single sum will be owed by, or owed to, the nondefaulting party.

Interest Rate Risk. The County is exposed to interest rate risk on the 2003 and 2005 pay-fixed interest rate swaps. As LIBOR decreases, the County's net payment on the swaps increases.

Termination Risk. The swaps were issued pursuant to the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Swaps may also be terminated if the County's credit rating falls below Baa/BBB. The County or the counterparty may terminate the swaps if the other party fails to perform under the terms of the contract. If the swap is terminated, the County will be responsible for the underlying variable rate bond obligation. Also, if at the time of termination the swaps have a negative fair value, the County would be liable to the counterparty for a payment equal to the swap's fair value.

Market-Access Risk. The County intends to issue refunding bonds for the debt related to the 2003 and 2005 pay fixed interest rate swaps in 2013. The County reduced its exposure to market-access risk by entering into an agreement with PNC Bank to issue refunding bonds in 2013.

Basis Risk. The County is exposed to basis risk under the 2006 basis swap to the extent that SIFMA trades at a greater than expected percentage of LIBOR for an extended period of time and/or in a high interest rate environment. As of December 31, 2011, the SIFMA rate of .10% was less than the 67% of 1-month LIBOR rate plus 42.39 basis points of .614%.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(9) Short-Term Debt

During 2011, the County issued Tax and Revenue Anticipation Notes in the amount of \$24,950,000 for cash flow purposes until the County began receiving tax receipts from the 2011 property tax. During 2011, the County repaid \$24,950,000 related to these Tax and Revenue Anticipation Notes. There was no outstanding balance at December 31, 2011 related to the issuance of this short-term debt.

(10) York County Post-Employment Benefit Plan

Plan Description. The County administers a single-employer postemployment benefit plan (the Plan) that covers health and life insurance benefits for eligible retirees. On January 5, 1983, the York County Retirement Board passed a resolution in accordance with the Commonwealth of Pennsylvania County Pension Law, Act 96, Section 19 (16 PS 11669) providing the authority under which benefit provisions for the Plan were established and may be amended. The Plan does not issue a publicly available financial report.

Funding Policy. The contribution requirements of the County are established and may be amended by resolution of the York County Retirement Board. The Plan does not require any contributions from Plan members. The County funds the Plan on a pay-as-you-go basis. For 2011, the County's contribution to the plan was \$6,344,043.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(10) York County Post-Employment Benefit Plan (Continued)

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Plan:

	Governmental Activities	County Nursing Home	911 Fund	Total Primary Government
Annual required contribution (ARC)	\$ 7,472,301	\$ 3,072,574	\$ 514,317	\$ 11,059,192
Interest on net OPEB obligation	452,896	188,883	27,993	669,772
Adjustment to ARC	(654,776)	(273,077)	(40,472)	(968,325)
Annual OPEB costs (expense)	7,270,421	2,988,380	501,838	10,760,639
Contributions made	(4,250,509)	(1,776,332)	(317,202)	(6,344,043)
Increase in net OPEB obligation	3,019,912	1,212,048	184,636	4,416,596
Net OPEB obligation - beginning of year	11,322,410	4,722,050	699,852	16,744,312
Net OPEB obligation - end of year	<u>\$ 14,342,322</u>	<u>\$ 5,934,098</u>	<u>\$ 884,488</u>	<u>\$ 21,160,908</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009, 2010, and 2011 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/09	\$10,100,844	62.5%	\$11,726,281
12/31/10	\$10,015,691	49.9%	\$16,744,312
12/31/11	\$10,760,639	59.0%	\$21,160,908

Funded Status and Funding Progress. As of January 1, 2011, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$182,299,039 and there were no assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$182,299,039. The covered payroll was \$93.9 million, and the ratio of the UAAL to the covered payroll was 194.1%.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(10) York County Post-Employment Benefit Plan (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2011 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return, which is the expected long-term investment yield on the investments that are expected to be used to finance the payments of benefits, a health care cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5% after 5 years. The actuarial assumptions also include a dental and vision cost trend rate of 6%. The UAAL is being amortized using the level dollar method over a period of 30 years on an open basis.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) Component Unit Post-Employee Retirement Plan

York County Planning Commission

Plan Descriptions

In addition to the pension plan benefits, the Commission provides certain post-employment healthcare benefits to its retirees through one single-employer, defined benefit other post-employment benefit (OPEB) plan. The OPEB plan does not issue a separate report.

Per Section 1000 of the Commission's employee handbook, effective May 6, 2008, the Commission will provide retired employees with medical coverage for a period of time after retirement.

Eligibility: Any non-uniformed employee who retires and has attained age 62 with at least 25 years of service with the Commission.

Benefits: Medical coverage is provided to the participant until age 65.

The schedule of benefits and sharing of costs is as follows:

Year After Employment	Employer Share of Costs	Employee Share of Costs
1	75%	25%
2	50%	50%
3	25%	75%
4	No benefit	No benefit

Note: Actuarial valuation assumed an average employer and employee contribution rate of 50%.

Funding Policy and Annual OPEB Costs

The Commission's contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2011, the Commission made no contribution to the OPEB plan.

The Commission opted to not fund the OPEB contribution and will continue to fund the annual OPEB cost on a pay-as-you-go basis.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) Component Unit Post-Employee Retirement Plan (Continued)

York County Planning Commission (Continued)

Funding Policy and Annual OPEB Costs (Continued)

The Commission's annual OPEB costs (expense) for the plan is calculated based on the annual required contribution of the employer (ARC). The Commission has elected to calculate the ARC and related information using the alternative measurement method permitted by governmental accounting standards for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARC are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time for the valuation and on the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculation.

The projections of benefits for financial reporting purposes do not explicitly incorporate potential effects of legal or contractual funding limitations on the pattern of cost-sharing between the employer and plan members in the future.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) Component Unit Post-Employee Retirement Plan (Continued)

York County Planning Commission (Continued)

Information as of the latest actuarial valuation follows:

Valuation date	12/31/2011
Actuarial cost method	Entry age normal, level percentage of payroll
Actuarial assumptions:	
Interest rate	2.0%
Mortality	Life expectancies based on the 2000 mortality tables for males and females projected 10 years
Turnover	Standard turnover assumptions from GASB Statement No. 45, paragraph 35b
Health insurance premiums	Based on 2011 health and dental insurance premiums.
Health care cost trend rates:	

	Health	Pharmacy	Dental	Vision
2011	8.0%	9.0%	3.5%	3.0%
2012	7.0%	8.0%	3.0%	3.0%
2013	6.0%	7.0%	3.0%	3.0%
2014	5.5%	6.0%	3.0%	3.0%
2015	5.3%	5.8%	3.0%	3.0%
2016	5.2%	5.6%	3.0%	3.0%
2017	5.2%	5.6%	3.0%	3.0%
2018	5.2%	5.5%	3.0%	3.0%
2019	5.2%	5.5%	3.0%	3.0%
2020+	4.7%	4.7%	3.0%	3.0%

Amortization period	28 year open period
Actuarial value of assets	Not applicable
Inflation rate	None

Three-Year Trend Information

	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
2011	\$ 44,285	0.0%	\$ 79,015
2010	17,365	0.0%	34,730
2009	17,365	0.0%	17,365

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(11) Component Unit Post-Employee Retirement Plan (Continued)

York County Planning Commission (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Commission's estimated annual OPEB costs and net OPEB obligations to the Plan for the year ended December 31, 2011 were as follows:

Annual required contribution	\$ 44,378
Interest of Net OPEB Obligation	\$ 702
Adjustment to ARC	\$ (795)
Annual OPEB cost	44,285
Contribution made	-
Change in Net OPEB Obligation	44,285
Net OPEB Obligation, beginning	34,730
Net OPEB Obligation, ending	<u>\$ 79,015</u>

Funded Status and Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As a Percentage of Covered Payroll (b-a/c)
12/31/2011	\$ -	\$ 424,448	\$ 424,448	0%	N/A	N/A
11/1/2009	\$ -	\$ 160,788	\$ 160,788	0%	N/A	N/A

Note: Certain assumptions were modified for the 12/31/11 valuation.

Summary of Employer Contributions

Year Ending	Annual Required Contribution	Actual Contribution	Percentage Contributed
12/31/2011	\$ 44,378	\$ -	0.0%
12/31/2010	17,365	-	0.0%
12/31/2009	17,365	-	0.0%

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Employee Retirement Plan (Pension Trust Fund)

The County maintains a single-employer, contributory-defined benefit pension plan (the Plan) that covers all employees of the County. The Plan is considered part of the County's financial reporting entity and is included in the County's financial statements as a Pension Trust Fund. The Plan follows the accounting and reporting requirements of GASB Statement No. 25, Statement No. 27, and Statement No. 50.

Description of Plan

The Plan is governed by the 1971 County Pension Law, Act 96, of the General Assembly of the Commonwealth of Pennsylvania, as amended (the Act). Benefit and contribution provisions of the Plan are established and can be amended as provided by the Act.

Membership in the Plan is mandatory for all full-time County employees. At December 31, 2011, the Plan's membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	926
Terminated employees entitled to benefits, but not yet receiving benefits	174
Active plan members	<u>2,370</u>
Total members	<u><u>3,470</u></u>

The Plan provides retirement, death, and disability benefits. Retirement benefits vest after five years of credited service. Employees who retire at age 60, or at age 55 with 20 years of service, are entitled to an unreduced annual retirement benefit. Employees are eligible for a reduced annual retirement benefit after accumulating 20 years of service prior to reaching age 55.

The general annual benefit is 2% of the employee's high three-year average salary times years of service.

Covered employees are required by the Act to contribute to the Plan at a rate of 5% of their gross pay. Employees may contribute up to an additional 10% of gross pay, at their option. The contributions are recorded in an individually identified account that is also credited with interest, calculated to yield 4.0% compounded annually. Accumulated employee contributions and credited interest, which amounted to \$57,710,054 as of December 31, 2011, vest immediately and are returned upon termination of service if the employee is not eligible for other benefits.

Administrative costs of the Plan are paid by the County General Fund. The Act makes no provision for termination of the Plan. The County does not issue a publicly available financial report for the Plan.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Employee Retirement Plan (Pension Trust Fund) (Continued)

Funding Status and Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 79.0 % funded. The actuarial accrued liability for benefits was \$306.7 million, and the actuarial value of assets was \$242.5 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$64.3 million. The actuarial value of assets as a percentage of the actuarial accrued liability was 79.0%. The covered payroll was \$102.0 million, and the ratio of the UAAL to the covered payroll was 63.0%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

In the December 31, 2011 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included; (a) 7.5 percent investment rate of return, (b) 4.5 percent projected salary increases, and (c) no postretirement benefit increases. Both (a) and (b) included an inflation component of 3%. The actuarial value of assets was determined using the greater of the market value of the assets as of the valuation date and adjusting the actuarial value of assets as of the prior valuation date in accordance with the method approved by the Commonwealth of Pennsylvania under Act 44 Section 210A(1). The actuarial value of assets will be limited to a maximum of 120% and a minimum of 80% of the market value of assets as of the valuation date. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2011 was 23 years.

Year Ended December 31,	Annual Required Contribution	Interest on Net Pension Asset	ARC		County Contribution	Percentage of Pension Cost Contributed	Change in Net	
	(ARC)		Adjustment	Pension Cost			Pension (Asset)/ Obligation	Net Pension (Asset)/ Obligation
2009	\$ 9,332,399	\$ (35,825)	\$ (58,905)	\$ 9,355,479	\$ 6,640,000	70.97%	\$ 2,715,479	\$ 2,237,809
2010	10,666,047	167,836	272,031	10,561,852	8,000,000	75.74%	2,561,852	4,799,661
2011	10,950,633	359,975	584,122	10,726,486	10,000,000	93.23%	726,486	5,526,147

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(12) Employee Retirement Plan (Pension Trust Fund) (Continued)

During 2011, the County did not fully fund their annual required contribution in the amount of \$950,633. At December 31, 2011, the County has recorded an accumulated pension liability of \$3,789,089 and \$1,737,058 in the statement of net assets for governmental and business-type activities, respectively, for the cumulative unfunded net pension obligation.

Legally Required Reserves

At December 31, 2011, the County has a balance of \$57,710,054 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2011. Since those accumulations represent the present value as of December 31, 2011 of future benefits, the reserve balance and liability are equal and this reserve is fully funded.

The County has a balance of \$63,344,575 in the County Annuity Reserve Account as of December 31, 2011. This balance and the amounts expected to be credited in the future, plus investment earnings thereon, represent the reserves set aside for the payment of the County's share of the retirement allowances.

When a County annuity is scheduled to commence for a particular member, sufficient monies are transferred from the County annuity reserve account to the retired members' reserve account to provide for such County annuities actually entered upon. Thus, this reserve is always fully funded.

The Retired Members' Reserve Account is the account out of which monthly retirement allowances including cost-of-living increases and death benefits are paid. The balance in this account was \$99,914,789 as of December 31, 2011.

(13) Component Unit Employee Retirement Plans

York County Solid Waste and Refuse Authority

The YCSWRA sponsors a defined contribution pension plan covering all employees who meet certain age and length of service requirements. The YCSWRA's contribution and pension expense for the year ended December 31, 2011 amounted to \$128,005.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans

York County Solid Waste and Refuse Authority (Continued)

During the year ended December 31, 1999, the Authority adopted an Eligible Deferred Compensation Plan, under the provisions of Section 457 of the Internal Revenue Code of 1986. Under the plan, contributions by the YCSWRA on behalf of the employees are at management's discretion. No contributions were made to the plan by the YCSWRA during the year ended December 31, 2011.

All amounts deferred under both plans are held in trust for the exclusive benefit of the participating employees and are not accessible by the YCSWRA or its creditors.

York County Library System

Effective April 30, 2011 the York County Library System terminated its single-employer defined benefit plan allowing participants to roll over their balances to the York County Library System Retirement Plan (The "Plan"), a 401(k) plan.

Description of the plan

The Library System maintained a single-employer defined contribution pension plan for the York County Library System. The plan covers all eligible employees of the Library system, described as follows:

An employee is eligible for the purposes of salary deferrals if they have attained the age of 21 and have completed 1 year of service. Employees may elect to reduce compensation by a specific dollar amount and have that amount contributed to the plan on a pre-tax basis as a salary deferral not exceeding the limit set forth by the IRS. Participants are 100% vested once they are eligible to contribute. The Library System makes a contribution equal to 100% of the employees' salary deferrals that do not exceed 3% of the employees' compensation plus 50% of your salary deferrals between 3% and 5% of the employees' compensation. Employee contributions for the year ended December 31, 2011 was \$186,571. Employer contributions to the plan were \$82,231.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans

York County Planning Commission

Description

The Commission provides pension benefits for all of its permanent employees through a single-employer defined benefit pension plan controlled by the provision of the ordinance dated March 13, 1991, adopted pursuant to Act 15 of 1974. The plan participates through an agreement entered into in 1991 with the Pennsylvania Municipal Retirement System (PMRS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans. PMRS issues a separate Comprehensive Annual Financial Report (CAFR). A copy of the CAFR can be obtained by contacting the PMRS accounting office.

Plan Membership

As of January 1, 2011, the date of the latest actuarial valuation, the pension plan's membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	17
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	8
Active Plan Members	44
Total Members	<u>69</u>

Contributions

The required contribution rate for members is 3.50% of their total compensation in accordance with the plan's governing ordinance. The Commission's contribution is actuarially determined by the PMRS Board. Act 205 requires annual contributions be based upon the plan's minimum municipal obligation (MMO). The MMO is based upon the plan's biennial actuarial valuation. Any funding requirements established by the MMO in excess of employee contributions and state aid must be paid by the municipality in accordance with Act 205. Administrative costs, including the investment manager, custodial trustee, and actuarial services are charged to the plan and funded through investment income.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

Annual Pension Cost

The Commission's annual pension costs were comprised of the following for the year ended December 31, 2011:

Annual required contribution	\$ 206,455
Adjustment to ARC	<u>53,742</u>
Annual pension cost	260,197
Contributions made	<u>(336,475)</u>
Change in prepaid pension expenses	(76,278)
Net prepaid pension expense, beginning	<u>(483,593)</u>
Net prepaid pension expense, ending	<u><u>\$ (559,871)</u></u>

The required contribution was determined as part of the actuarial valuation using the entry age normal actuarial method. The actuarial value plan assets are stated at fair value. The actuarial assumptions included a 6.0% investment rate of return and projected salary increases based on a salary scale. The Commission's unfunded actuarial accrued liability is being amortized as a level dollar on a closed basis. The remaining amortization period as of December 31, 2011, was nine years.

Trend Information

Year Ended December 31,	Annual Pension Cost	Contributions Made	Actuarial Valuation Date Basis for Contributions	Percentage Contributed	Net Pension Asset
2009	244,852	\$ 219,636	2007	89.7%	(213,405)
2010	246,872	\$ 517,060	2009	209.4%	(483,593)
2011	260,197	\$ 336,475	2011	129.3%	(559,871)

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

Summary of Employer Contributions

<u>Year Ended December 31</u>	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage Contributed</u>
2006	\$ 167,133	\$ 167,133	100%
2007	\$ 185,386	\$ 185,386	100%
2008	\$ 200,890	\$ 200,910	100%
2009	\$ 219,596	\$ 219,636	100%
2010	\$ 217,000	\$ 517,060	238%
2011	\$ 206,455	\$ 336,475	163%

Funded Status and Funding Progress

The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (FAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of covered Payroll [(b-a)/c]</u>
1/1/2001	\$ 3,024,893	\$ 3,740,524	\$ 715,631	80.87%	\$ 1,297,772	55.14%
1/1/2003	\$ 3,718,243	\$ 4,307,095	\$ 588,852	86.33%	\$ 1,466,815	40.14%
1/1/2005	\$ 4,502,255	\$ 5,140,779	\$ 638,524	87.58%	\$ 1,619,427	39.43%
1/1/2007	\$ 5,297,643	\$ 5,998,245	\$ 700,602	88.32%	\$ 1,742,123	40.22%
1/1/2009	\$ 6,287,879	\$ 6,914,902	\$ 627,023	90.93%	\$ 2,036,293	30.79%
1/1/2011	\$ 7,476,482	\$ 7,281,624	\$ (194,858)	102.68%	\$ 2,153,525	-9.05%

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(13) Component Unit Employee Retirement Plans (Continued)

York County Planning Commission (Continued)

Deferred Compensation Plan

The Commission sponsors a Deferred Compensation Plan, under the provisions of Section 457 of the Internal Revenue Code of 1986. Under the plan, contributions by the Commission on behalf of the employees are at management's discretion. The Commission views this plan as the employee's investment account. The Commission has not made contributions to this plan in the past and does not anticipate making contributions in the future. During the year ended December 31, 2011, the Commission did not make any contributions to the plan.

(14) Commitments and Contingencies

Litigation

In the normal course of business, there are various claims and suits pending against the County and its elected officials. Management is of the opinion that these matters will not have a material adverse effect on the County's financial position at December 31, 2011.

Federal and Commonwealth Grants

The County receives funds from the Commonwealth and various federal agencies to fund specific programs. Final determination of various amounts is subject to audit under the Federal Single Audit Act and by the funding agencies. County officials believe that any audit adjustments resulting from final settlements will be immaterial in relation to the County's financial resources.

Debt Guaranty Agreement

The primary government has guaranteed the Series of 1997 Refunding Revenue Bonds of YCSWRA. The outstanding balance of this debt at December 31, 2011, was \$26,355,000.

The above debt issue has dedicated revenue sources that are intended to be sufficient to meet debt service requirements.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(14) Commitments and Contingencies (Continued)

Line of Credit – Component Units

In 2010, the Authority established a \$1,000,000 unsecured line of credit with Integrity Bank for working capital and various project needs of the Authority. Borrowings against the line bore interest at the New York Prime Rate, which was 3.25% at December 31, 2011. As of December 31, 2011, \$966,253 had been drawn on the line related to the Harley-Davidson West Campus and Marketview Arts Center projects.

(15) Due from Other Governments

Amounts due from other governments are primarily grants receivable from the Commonwealth of Pennsylvania at December 31, 2011, for the following funds:

Governmental funds

General Fund	\$ 1,018,994
Mental Health/Mental Retardation Fund	217,279
Children & Youth Fund	4,524,560
Community Development Block Grant Fund	421,576
Other Nonmajor Funds	1,368,161
	<u>\$ 7,550,570</u>

Enterprise Fund

911 Fund	\$ 50,823
	<u>\$ 50,823</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(16) Interfund Accounts

Individual fund "due from other funds" and "due to other funds" balances at December 31, 2011, are as follows:

	Due from Other Funds	Due to Other Funds
Governmental funds		
General Fund	\$ 2,992,701	\$ 1,354,295
York HealthChoices Management Fund	-	1,829,434
Mental Health/Mental Retardation Fund	13,294	846,568
Children and Youth Fund	1,086,432	-
Community Development Block Grant Fund	-	44
Other Nonmajor Funds	2,104,330	672,282
	<u>6,196,757</u>	<u>4,702,623</u>
Enterprise funds		
County Nursing Home Fund	-	1,486,494
911 Fund	-	7,640
	<u>-</u>	<u>1,494,134</u>
Total	<u>\$ 6,196,757</u>	<u>\$ 6,196,757</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided, (2) reimbursable expenditures occur and (3) payments between funds are made.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(16) Interfund Accounts (Continued)

Individual fund "transfers in" and "transfers out" are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds		
General Fund	\$ 55,299	\$ 30,272,104
Mental Health/Mental Retardation Fund	864,589	-
Children & Youth Fund	9,819,387	-
Other Nonmajor Funds	1,627,058	144,533
	<u>12,366,333</u>	<u>30,416,637</u>
 Enterprise funds		
County Nursing Home Fund	8,535,087	-
911 Fund	9,515,217	-
	<u>18,050,304</u>	<u>-</u>
Total	<u>\$ 30,416,637</u>	<u>\$ 30,416,637</u>

Transfers from the general fund are used to move unrestricted revenues to (1) finance various programs that the government must account for in other funds in accordance with budgetary and legal authorizations, including amounts provided as subsidies or matching funds for various grant programs and (2) subsidize County Nursing Home and 911 operations.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(17) Deficit Fund Equity

At December 31, 2011, the County Nursing Home Fund and the 911 Fund had deficit balances in unrestricted net assets of \$8,117,607 and \$1,140,994, respectively. The deficit balances in unrestricted net assets is primarily due to long-term liabilities recorded in the funds.

The Capital Projects Bond Account Fund had a deficit balance in unassigned fund balance of \$707,118. The deficit balance was due to the County accrued expenditures for the fund but did not drawdown note proceeds to fund the expenditures as of December 31, 2011.

(18) Landfill Closure and Post Closure Care Costs – Component Unit

The YCSWRA completed closure construction on the York County Sanitary Landfill during the year ended December 31, 1998. State and federal laws and regulations require the YCSWRA to place a final cover on the Landfill site when it stopped accepting waste, and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid after the date that the landfill stopped accepting waste, the YCSWRA recognized a portion of these closure and post closure care costs as operating expenses in each operating period based on landfill capacity used as of each balance sheet date. The landfill closure and postclosure care liability of \$673,911 represents the cumulative amount recognized based on the use of 100% of the capacity of the landfill, less expenses paid between actual closure and December 31, 2011. The recorded liability is based on what it would cost to perform all closure and post closure care in 1998. Actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in regulations.

(19) Risk Management

Self-Insurance

The County is exposed to various risks of losses; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, natural disasters, and unemployment compensation. The County has purchased commercial insurance for all risks of losses except for injuries to employees, medical (for certain employees), and unemployment compensation. No significant settlements exceeded insurance coverage for each of the past three years.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(19) Risk Management (Continued)

Self-Insurance (Continued)

The County has elected to self-insure itself for up to \$1,000,000 for injuries to employees. For risks greater than \$1,000,000, the County has purchased excess of loss insurance with an insurance carrier. As of December 31, 2011, the County has recorded a liability for claims incurred of \$759,543 in the county nursing home fund and \$2,542,819 as a long-term liability in the governmental activities column in the government-wide financial statements. This liability is calculated based on past loss experience; the liability has not been discounted. This liability includes an amount for allocated claim adjustment expenditures/expenses and includes salvage and subrogation. Salvage and subrogation were not material for the year ended December 31, 2011.

The County has elected to self-insure itself for medical insurance for certain employees. The County is liable for all claims up to an aggregate of \$30,731,828 or \$300,000 plus \$40,000 aggregating deductible per individual for any one plan year. Once the aggregating deductible has been met, all future stop loss reimbursements for that contract year are payable upon reaching the stated deductible of \$300,000 per covered member. The County purchased stop loss insurance to cover all claims in excess of these deductible points. As of December 31, 2011, the County has recorded a liability for claims incurred of \$1,910,334 as account payable in the general fund and \$236,109 as accounts payable in the county nursing home fund.

Changes in the liabilities for self-insurance are as follows:

	Medical		Workers' Compensation	
	2011	2010	2011	2010
Balance as of January 1	\$ 1,274,220	\$ 1,286,346	\$ 3,053,211	\$ 2,841,491
Add: Incurred claims relating to:				
Prior years	2,707	(61,543)	627,685	(791,391)
Current year	24,533,127	21,446,683	479,734	1,785,076
	24,535,834	21,385,140	1,107,419	993,685
Less: Payment of claims relating to:				
Prior years	1,276,927	1,224,803	496,014	182,657
Current year	22,386,684	20,172,463	362,254	599,308
	23,663,611	21,397,266	858,268	781,965
Balance as of December 31	\$ 2,146,443	\$ 1,274,220	\$ 3,302,362	\$ 3,053,211

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(19) Risk Management (Continued)

Self-Insurance (Continued)

The foregoing reconciliation reflects a deficiency in the December 31, 2010 liability for medical self-insurance of \$2,707. The foregoing reconciliation also reflects a deficiency in the December 31, 2010 liability for workers' compensation self-insurance of \$627,685. The changes in these liabilities were primarily the result of changes in estimates as more information became available.

The County participates in a claims servicing public entity risk pool (the Pool) for unemployment compensation. Under an agreement with the Pool, the County pays a quarterly premium to the Pool based on past loss experience. Based on the County's favorable loss experience in 2011, no liability has been recorded for claims incurred, but not paid as of December 31, 2011.

(20) Restricted Assets and Related Liabilities

At December 31, 2011, the County's governmental funds had a restricted cash balance of \$5,808,129 maintained in escrow accounts in the name of the County. At December 31, 2011, the County also had a restricted investment balance \$8,848,811. Each fund's restricted cash and investments are provided below with a brief explanation of the reasons for the restriction:

- \$3,873,476 and \$389,508 are restricted cash and investments in the General Fund. These balances are for various purposes, including: agricultural land preservation, records management, and workers' compensation.
- \$1,365,554/\$7,764,173 and \$427,531/\$695,130 are restricted cash/investments in the York HealthChoices Fund and the Adams HealthChoices Fund, respectively. Of this balance, \$361,305 and \$1,616,067, respectively, is restricted as incentive cash/investments. The program's subcontractor is eligible for a bonus based on meeting performance benchmarks. This cash/investments is restricted for that purpose. \$880,878 and \$5,907,864, respectively, is held as restricted cash/investments for contingencies. These funds will pay the claims of the program if a shortage existed in their capitation income from the Commonwealth of Pennsylvania. \$550,902 and \$935,372, respectively, is held as restricted cash/investments for reinvestment. Use of these funds is contingent upon the Department of Public Welfare approval of a reinvestment plan.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(20) Restricted Assets and Related Liabilities (Continued)

- \$60,755 is restricted cash in the York County MH/MR Fund. These funds are received from individuals designated to be used as memorials.
- \$256 is restricted cash in the Capital Projects Bond Account Fund to pay for costs to fund certain capital projects related to the \$20,000,000 2011 General Obligation Note.
- \$43,866 is restricted cash in the Domestic Relations Fund. These funds are held to be remitted to the intended third party.
- \$7,362 is restricted cash in the Comprehensive Services to the Aged Fund. This balance represents client fund accounts in which the Aging Department collects and administers individuals' funds that cannot handle their own money.
- \$29,329 is restricted cash in the Donations Fund as being held for specific purposes by individuals or businesses.

At December 31, 2011, the County's enterprise funds had a restricted cash balance of \$3,632,532. Each fund's restricted cash is provided below with a brief explanation of the reasons for the restriction:

- \$435,868 of cash in the county nursing home fund. Of this balance \$391,434 is restricted for the payment of patient funds held in safekeeping and \$44,434 for other deposits held in escrow.
- \$3,196,664 of cash in the 911 fund is restricted for payment of eligible 911 wireless expenses.

The YCSWRA (a component unit) is required to maintain cash and investments amounting to \$146,509,105 in trust accounts whose use are restricted under bond indentures or under consent decree and law relating to environmental protection matters attributable to the YCSWRA's operations.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(21) Fund Balance/Net Assets

The constraints on fund balance included in the governmental fund financial statements represent portions of fund balances that are nonspendable, restricted, committed, or assigned for various purposes and are not available for the payment of other subsequent expenditures. The following nonspendable, restricted, committed, and assigned fund balances are included in the governmental fund financial statements:

Nonspendable	<u>\$ 12,443,854</u>
--------------	----------------------

This line item represents \$10,940,000 for a loan receivable and \$1,503,854 for a note receivable.

Restricted	<u>\$ 76,314</u>
------------	------------------

This line item represents amounts restricted for crime victims in the amount of \$22,724 and the payment of worker's compensation claims in the amount of \$53,590.

Committed	<u>\$ 35,896</u>
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This line item represents amounts that have been committed for the Susquehanna Riverlands Project.

Assigned	<u>\$ 4,886,484</u>
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This line item represents \$3,400,000 that has been assigned to offset excess expenditures over revenues for the 2012 General Fund budget and \$1,486,484 assigned for future expenditures of the County's Nursing Home Fund.

Nonmajor Funds

Restricted

<u>Liquid Fuels Tax</u>	<u>\$ 1,507,087</u>
-------------------------	---------------------

This line item represents amounts that are restricted by grantors for the future payments of expenditures for the building and improvement of roads and bridges.

<u>Domestic Relations</u>	<u>\$ 4,194,700</u>
---------------------------	---------------------

This line item represents amounts that are restricted by grantors for the future payments of expenditures for the operation of the Child Support Enforcement Program.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(21) Fund Balance/Net Assets (Continued)

Nonmajor Funds (Continued)

Restricted (Continued)

<u>Drug Task Force</u>	<u>\$ 1,075,732</u>
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This line item represents amounts that are restricted by enabling legislation for the future payments of expenditures for the operation of the Drug Task Force.

<u>Donations</u>	<u>\$ 29,329</u>
------------------	------------------

This line item represents amounts that are restricted by bequests from county residents for the future payments of expenditures for improvements to county parks.

<u>Affordable Housing</u>	<u>\$ 2,687,565</u>
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This line item represents amounts that are restricted by enabling legislation for the future payments of expenditures to enable county residents to purchase or rent residential housing.

Committed

<u>Earn It</u>	<u>\$ 18,072</u>
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This line item represents amounts that are committed for the future payments of expenditures for the juvenile restitution and community service program.

<u>Prison Telephone</u>	<u>\$ 265,838</u>
-------------------------	-------------------

This line item represents amounts that are committed for the future payments of expenditures for the benefit of prisoners in the county prison.

Net Assets

The restrictions on net assets included in the fund financial statements and the government-wide statements represent portions of net assets that are restricted for various purposes and are not available for the payment of other subsequent expenditures. The following restricted net assets are included in the fund financial statements and the government-wide financial statements

Governmental Activities

All applicable restricted governmental fund balance amounts disclosed above are also recorded as restricted net assets in the Governmental Activities Statement of Net Assets.

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(21) Fund Balance/Net Assets (Continued)

Business Type Activites

911 Fund

Restricted \$ 3,196,664

This line item represents amounts that are restricted by grantors to be used in accordance with the requirements of the 911 wireless program.

Fiduciary Funds

Pension Trust Fund

Net assets held in trust for pension benefits \$ 223,216,090

This line item represents amounts that are held in trust for future payments of members' benefits.

(22) Litigation Liability

The liability consists of an eminent domain settlement for \$5.5 million that occurred during 2008. The settlement is payable in annual installments beginning on June 30, 2009 through June 30, 2014, with an interest rate of 6.00%.

The annual requirements to amortize maturities of the outstanding liability for the year ended December 31, 2011, are as follows:

	Principal	Interest	Total
2012	\$ 1,000,000	\$ 150,000	\$ 1,150,000
2013	1,000,000	90,000	1,090,000
2014	500,000	15,000	515,000
	<u>\$ 2,500,000</u>	<u>\$ 255,000</u>	<u>\$ 2,755,000</u>

County of York, Pennsylvania

Notes to Financial Statements (Continued)

(23) Loan and Note Receivables

Concurrent to the issuance of the Series A of 2009 General Obligation Notes, the County entered into a loan and security agreement, a mortgage agreement, and a promissory note with the York County Agricultural Society ("Society") to secure the loan collectively "the Agreement" in the amount of \$11,700,000. Under the Agreement, the Society will pay the principal and interest costs of the outstanding debt in monthly installments of \$76,215 to the County of York until October 10, 2014; and, thereafter the monthly installment will be adjusted to correspond to the new interest rate on the General Obligation Notes. The interest rate on the loan is a fixed rate equal to 4.63% for the period from November 1, 2009 to November 1, 2014. After November 1, 2014, the interest rate shall be adjusted to equal the Wall Street Prime Rate on such date plus 500 basis points, not to exceed a maximum interest rate of 15%. The balance of the loan at December 31, 2011, was \$10,940,000.

The County also has a mortgage note receivable with HW York Properties Inc. related to the sale/leaseback of the building located at 1 West Market Way. The County receives a monthly payment of \$19,704 beginning in May of 2002 and ending in April of 2020. The note has an interest rate of 6.75%. The balance of the note at December 31, 2011, was \$1,503,854.

The annual principal and interest amounts on the loan and note for the year ended December 31, 2011, are as follows:

	Principal	Interest	Total
2012	\$ 544,188	\$ 603,778	\$ 1,147,966
2013	573,880	575,335	1,149,215
2014	604,246	545,292	1,149,538
2015	635,334	513,601	1,148,935
2016	667,194	480,211	1,147,405
2017-2021	3,489,012	1,854,345	5,343,357
2022-2026	3,490,000	1,064,208	4,554,208
2027-2029	2,440,000	228,566	2,668,566
Total	\$ 12,443,854	\$ 5,865,336	\$ 18,309,190

County of York, Pennsylvania
Notes to Financial Statements (Continued)

(24) Operating leases

The County leases various towers under operating leases with expiration dates greater than one year. Minimum rental payments at December 31, 2011 are as follows:

2012	173,686
2013	177,450
2014	182,022
2015	186,736
2016	171,434
2017-2021	243,873
2022-2026	279,400
2027-2031	<u>258,079</u>
Total	<u>\$ 1,672,680</u>

Rental expense totaled \$302,565 for the year ended December 31, 2011.

(25) Capital Lease

In February of 2007, the County's 911 Fund leased 190 mobile data computers in the amount of \$997,500 bearing an interest rate of 4.2% and expiring in February 2011. During 2011, the County paid their final payment on the lease of \$207,962. At December 31, 2011, the balance of the capital lease outstanding is \$0.

At December 31, 2011, the County has leased equipment disclosed as leasehold assets in Note 6 in the amount of \$997,500 with an accumulated depreciation of \$964,250.

(26) Subsequent Event

In January of 2012, the County issued Tax and Revenue Anticipation Notes, Series of 2012, in the amount of \$17,955,000. The Notes bear interest at 1.00% and are due on April 30, 2012.

REQUIRED SUPPLEMENTARY INFORMATION

County of York, Pennsylvania

Schedule of Employer Contributions and Funding Progress

Schedule of Employer Contributions

Year Ended December 31	Annual Required Contribution	Percentage Contributed
2006	\$ 7,665,899	100%
2007	\$ 7,199,423	100%
2008	\$ 7,383,314	100%
2009	\$ 9,332,399	71%
2010	\$ 10,666,047	75%
2011	\$ 10,950,633	91%

The information presented in the required supplementary schedule was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	December 31, 2011
Actuarial cost method	Entry Age
Amortization method	Level percentage of projected payroll
Remaining amortization period	23 years, closed
Asset valuation method	Greater of market value or actuarial value as described in section 210A(1) of Act 44 of 2009 of the Commonwealth of Pennsylvania
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4.50%
Includes inflation at:	3.00%
Cost-of-living adjustments	None

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2008	\$ 196,954,958	\$ 245,378,742	\$ 48,423,784	80.3%	\$ 91,673,555	52.8%
12/31/2009	\$ 210,319,427	\$ 269,381,916	\$ 59,062,489	78.1%	\$ 94,978,984	62.2%
12/31/2010	\$ 225,346,700	\$ 287,309,457	\$ 61,962,757	78.4%	\$ 98,095,169	63.2%
12/31/2011	\$ 242,460,283	\$ 306,718,599	\$ 64,258,316	79.0%	\$ 101,994,045	63.0%

As the County used the aggregate actuarial cost method prior to December 31, 2007, only four years are presented in the above schedule.

County of York, Pennsylvania

Schedule of Funding Progress for Postemployment Benefits Other Than Pensions

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2007	\$ -	\$ 100,954,417	\$ 100,954,417	0%	\$ 80,530,461	125.4%
1/1/2009	\$ -	\$ 152,089,381	\$ 152,089,381	0%	\$ 91,673,555	165.9%
1/1/2011	\$ -	\$ 182,299,039	\$ 182,299,039	0%	\$ 93,916,913	194.1%

The increase in the actuarial accrued liability was primarily due to projected future mortality rates have been updated to reflect mortality improvement in the general population, future medical costs were based upon actual costs incurred in recent years, and the actuarial cost method was changed from the projected unit credit actuarial cost method to the entry age normal actuarial cost method.

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – General Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Real estate taxes	\$ 109,600,000	\$ 109,600,000	\$ 110,537,455	\$ 937,455
Intergovernmental	7,350,157	7,737,306	6,732,892	(1,004,414)
Departmental	36,974,377	36,974,377	39,535,859	2,561,482
Fines and costs	6,146,790	6,146,790	5,455,377	(691,413)
Hotel tax	1,200,000	1,200,000	1,495,347	295,347
Investment	121,437	121,437	122,196	759
Total revenues	161,392,761	161,779,910	163,879,126	2,099,216
Expenditures				
Current:				
General government	14,405,170	14,405,170	12,235,067	2,170,103
Public safety	59,411,850	59,399,938	59,281,034	118,904
Health, education, and welfare:				
Human Services	11,263,278	11,263,278	10,845,335	417,943
Judicial	33,587,431	33,977,670	33,027,842	949,828
Cultural and recreation	8,078,338	8,078,338	8,015,623	62,715
Conservation and community development	4,512,881	4,521,703	4,503,964	17,739
Capital outlay	-	-	1,048,040	(1,048,040)
Debt service:				
Principal retirement	5,180,000	5,180,000	3,945,717	1,234,283
Interest and fiscal charges	8,311,092	8,311,092	5,500,814	2,810,278
Total expenditures	144,750,040	145,137,189	138,403,436	6,733,753
Excess of revenues over expenditures	16,642,721	16,642,721	25,475,690	8,832,969
Other financing sources (uses)				
Transfers in	2,436,000	2,436,000	55,299	(2,380,701)
Transfers out	(19,078,721)	(19,078,721)	(30,272,104)	(11,193,383)
Total other financing sources (uses)	(16,642,721)	(16,642,721)	(30,216,805)	(13,574,084)
Net change in fund balances	\$ -	\$ -	\$ (4,741,115)	\$ (4,741,115)

See Notes to Required Supplementary Information

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – York HealthChoices Management Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final	Amounts	
Revenues				
Intergovernmental	\$ 64,063,809	\$ 64,063,809	\$ 63,431,118	\$ (632,691)
Investment	58,220	58,220	51,748	(6,472)
Other	65,000	65,000	-	(65,000)
Total revenues	64,187,029	64,187,029	63,482,866	(704,163)
Expenditures				
Current:				
Health, education, and welfare:				
Human Services	64,690,921	64,690,921	63,482,866	1,208,055
Total expenditures	64,690,921	64,690,921	63,482,866	1,208,055
Deficiency of revenues under expenditures	(503,892)	(503,892)	-	503,892
Net change in fund balances	\$ (503,892)	\$ (503,892)	\$ -	\$ 503,892

See Notes to Required Supplementary Information

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Mental Health/Mental Retardation Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget – Positive (Negative)
Revenues				
Intergovernmental	\$ 28,865,871	\$ 28,865,871	\$ 28,909,884	\$ 44,013
Investment	13,000	13,000	12,906	(94)
Other	-	-	35,095	35,095
Total revenues	28,878,871	28,878,871	28,957,885	79,014
Expenditures				
Current:				
Health, education, and welfare:				
Mental health/mental retardation	29,857,886	29,857,886	29,822,474	35,412
Total expenditures	29,857,886	29,857,886	29,822,474	35,412
Deficiency of revenues under expenditures	(979,015)	(979,015)	(864,589)	114,426
Other financing sources (uses)				
Transfers in	979,015	979,015	864,589	(114,426)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

See Notes to Required Supplementary Information

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Children and Youth Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget –
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 36,403,000	\$ 36,403,000	\$ 31,992,388	\$ (4,410,612)
Departmental	600,000	600,000	691,402	91,402
Total revenues	37,003,000	37,003,000	32,683,790	(4,319,210)
Expenditures				
Current:				
Health, education, and welfare:				
Children and youth	44,556,000	44,556,000	42,137,443	2,418,557
Capital Outlay	6,000	6,000	365,734	(359,734)
Total expenditures	44,562,000	44,562,000	42,503,177	2,058,823
Deficiency of revenues under expenditures	(7,559,000)	(7,559,000)	(9,819,387)	(2,260,387)
Other financing sources (uses)				
Transfers in	7,559,000	7,559,000	9,819,387	2,260,387
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

See Notes to Required Supplementary Information

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Community Development Block Grant Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 8,232,000	\$ 8,232,000	\$ 4,319,271	\$ (3,912,729)
Departmental	30,000	30,000	2,776	(27,224)
Investment	2,000	2,000	1,449	(551)
Other	950,000	950,000	-	(950,000)
Total revenues	9,214,000	9,214,000	4,323,496	(4,890,504)
Expenditures				
Current:				
Conservation and community development	9,214,000	9,214,000	4,323,496	4,890,504
Total expenditures	9,214,000	9,214,000	4,323,496	4,890,504
Excess of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

See Notes to Required Supplementary Information

County of York, Pennsylvania

Notes to Required Supplementary Information

(1) Budgets and Budgetary Accounting

The County adopts budgets for the general fund and all special revenue funds, except for the Brownsfields For Housing, Drug Task Force, Access Grant Program, Donations, Core Communities, and Prison Telephone Funds. The County prepares a separate budget report, which is available from the Commissioners' office. Annual operating budgets are legally adopted each year through the passage of an annual budget ordinance. The County's budgets utilize a modified accrual basis of accounting. The legal level of budgetary control is established for expenditures in total at the fund level. The general and special revenue funds have legally adopted budgets. Project-length financial plans are adopted for the capital projects funds.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During July and August, the department heads use current financial status reports to develop financial projections for their programs for the ensuing year and review with the budget staff.
2. The Commissioners, if requested or required, then interview department heads to discuss their budgets as submitted and allow them to substantiate projected expenditures at public hearings.
3. Upon consolidation of the department and agency expenditure projections, the Commissioners ascertain the most viable method of financing them.
4. Subsequently, the Commissioners' office assembles the preliminary projections of revenues and expenditures, including salary projections, into a final budget incorporating any revisions or adjustments resulting from the aforementioned Commissioners' review.
5. By early December, the final budget is presented by the Commissioners. Pursuant to budgetary requirements, as set forth in the County Code, public notice is given that the final budget is available for inspection for a period of 20 days.
6. After the 20-day inspection period, but prior to December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.

The budget may not be amended without the approval of the Commissioners. Agency department heads have the authority to transfer expenditures within line items of the funds that they administer.

County of York, Pennsylvania

Notes to Required Supplementary Information (Continued)

(1) Budgets and Budgetary Accounting (Continued)

The Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand or estimated to be received within the fiscal year and not otherwise appropriated, including the proceeds of any borrowing now or hereafter authorized by law. The Commissioners may authorize the transfer of any unencumbered balance of any appropriation item or any portion thereof.

Commonwealth of Pennsylvania statute requires the County's legal level of budgetary control to be at the fund level. As a management device, the County maintains budgetary control at the department line item level, as authorized by a resolution of the Board of Commissioners. County's management can overspend at the department level and make transfers between departments without the approval of the Commissioners. Actual expenditures and operating transfers out may not legally exceed "budget" appropriations at the individual fund level. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended. The County does not report encumbrances.

OTHER SUPPLEMENTARY INFORMATION

County of York, Pennsylvania

Combining and Individual Fund Financial Statements and Schedules

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted or committed to expenditures for specified purposes. Capital Project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays. The following are utilized to account for those financial activities:

The Liquid Fuels Tax Fund accounts for state aid revenues used for building and improving roads and bridges.

The Domestic Relations Fund accounts for expenditures and reimbursement revenue related to the operations of the County's Child Support Enforcement Program, which is funded with federal, state, and County funds.

The following funds are used to account for revenue received from various federal, state, and local sources. These funds, which are restricted for the provision of specified social services to eligible County residents, are as follows:

- Comprehensive Services to the Aged Fund
- Human Services Fund
- Drug and Alcohol Fund

The Brownfields for Housing Fund is used to account for construction or improvements of housing that is located on previously developed sites and in core communities.

The Adams HealthChoices Management Fund exists for purposes of administration of the York/Adams HealthChoices Management program, a mandatory managed care program for those who are eligible to participate in Medical Assistance.

The Drug Task Force Fund is used to account for revenues and expenditures related to controlled substances.

The Justice Assistance Grant Fund is funded through the American Recovery and Reinvestment Act (ARRA) for criminal justice activities within the County and eligible municipalities.

Capital Projects Bond Account Fund accounts for the financial resources used for acquisitions and capital construction of major capital facilities (other than those financed by proprietary funds).

County of York, Pennsylvania

Combining and Individual Fund Financial Statements and Schedules (Continued)

The Access Grant Program Fund, in cooperation with the Center for Independent Living Opportunities, administers the Access Home Modification Program for low to moderate income persons with permanent disabilities.

The Donations Fund is used to account for special bequests from County residents.

The Earn-It Fund is a juvenile restitution and community service program. It provides work opportunities for suitable juveniles to earn money and provide community service.

The Affordable Housing Fund supports the County's local affordable housing efforts. It raises revenue to enable County residents to purchase or rent residential housing.

The Weatherization Fund receives monies from the United States Departments of Energy and Health and Human Services. The Weatherization Fund provides and installs energy-conserving materials for low-income County residents.

The Downtown Hanover Improvement Fund, in cooperation with Downtown Hanover, Inc., administers a program that provides loans for businesses to rehabilitate their facilities.

The Core Communities Fund is used to account for construction or improvements of housing that is located on previously developed sites.

The Prison Telephone Fund is used to account for prison telephone commissions.

The ARRA Weatherization Fund is funded through the American Recovery and Reinvestment Act (ARRA) and receives monies from the U.S. Departments of Energy and Health and Human Services. The ARRA Weatherization Fund provides and installs energy-conserving materials for low-income County Residents.

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds

December 31, 2011

	Liquid Fuels Tax	Domestic Relations	Comprehensive Services to the Aged	Human Services	Drug and Alcohol	Brownfields for Housing	Adams HealthChoices Management	Drug Task Force	Justice Assistance Grant	Capital Projects Bond Account
Assets										
Cash and cash equivalents	\$ 1,507,087	\$ 1,569,604	\$ 291,349	\$ -	\$ 222,931	\$ 429	\$ 1,200,706	\$ 314,271	\$ -	\$ -
Restricted cash	-	43,866	7,362	-	-	-	427,531	-	-	256
Investments	-	1,960,623	1,900,713	-	-	-	161,715	915,492	-	-
Restricted investments	-	-	-	-	-	-	695,130	-	-	-
Receivables:										
Accounts	-	6,696	192	15	142	230,007	-	-	-	9,945
Due from other funds	-	-	1,322	264,680	25,266	-	1,811,746	-	-	1,275
Due from other governments	-	913,475	107,745	1,649	345,292	-	-	-	-	-
Total assets	\$ 1,507,087	\$ 4,494,264	\$ 2,308,683	\$ 266,344	\$ 593,631	\$ 230,436	\$ 4,296,828	\$ 1,229,763	\$ -	\$ 11,476
Liabilities and fund balance										
Liabilities:										
Accounts payable and accrued liabilities	\$ -	\$ 75,964	\$ 512,834	\$ 265,022	\$ 390,903	\$ -	\$ 1,637,408	\$ 80,888	\$ -	\$ 679,551
Due to other funds	-	175,734	382,194	1,322	62,682	-	4,015	694	-	39,043
Deposits held in escrow	-	43,866	7,362	-	-	-	422,502	72,449	-	-
Due to other governments	-	-	-	-	-	-	107,083	-	-	-
Deferred revenue	-	-	1,406,293	-	140,046	230,436	2,125,820	-	-	-
Total liabilities	-	299,564	2,308,683	266,344	593,631	230,436	4,296,828	154,031	-	718,594
Fund balances (Deficit):										
Restricted	1,507,087	4,194,700	-	-	-	-	-	1,075,732	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-	-	-	-	-	(707,118)
Total fund balance	1,507,087	4,194,700	-	-	-	-	-	1,075,732	-	(707,118)
Total liabilities and fund balance	\$ 1,507,087	\$ 4,494,264	\$ 2,308,683	\$ 266,344	\$ 593,631	\$ 230,436	\$ 4,296,828	\$ 1,229,763	\$ -	\$ 11,476

County of York, Pennsylvania

Combining Balance Sheet – Nonmajor Governmental Funds (Continued)

December 31, 2011

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Improvement	Core Communities	Prison Telephone	ARRA Weatherization	Total
Assets										
Cash and cash equivalents	\$ 6,589	\$ -	\$ 22,772	\$ 481,967	\$ 22,448	\$ 223,623	\$ 4,600	\$ 264,225	\$ 302,637	\$ 6,435,238
Restricted cash	-	29,329	-	-	-	-	-	-	-	508,344
Investments	-	-	-	2,836,522	-	-	-	-	-	7,775,065
Restricted investments	-	-	-	-	-	-	-	-	-	695,130
Receivables:										
Accounts	200,000	-	21	834,587	-	-	-	60,298	-	1,341,903
Due from other funds	-	-	-	-	-	-	-	41	-	2,104,330
Due from other governments	-	-	-	-	-	-	-	-	-	1,368,161
Total assets	\$ 206,589	\$ 29,329	\$ 22,793	\$ 4,153,076	\$ 22,448	\$ 223,623	\$ 4,600	\$ 324,564	\$ 302,637	\$ 20,228,171
Liabilities and fund balance										
Liabilities:										
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 21	\$ 608,037	\$ 10	\$ -	\$ -	\$ 56,474	\$ 256,994	\$ 4,564,106
Due to other funds	-	-	-	-	-	-	-	2,252	346	672,282
Deposits held in escrow	-	-	4,700	-	-	-	-	-	-	550,879
Due to other governments	-	-	-	-	-	-	-	-	-	107,083
Deferred revenue	206,589	-	-	857,474	22,438	223,623	4,600	-	45,297	5,262,616
Total liabilities	206,589	-	4,721	1,465,511	22,448	223,623	4,600	58,726	302,637	11,156,966
Fund balances (Deficit):										
Restricted	-	29,329	-	2,687,565	-	-	-	-	-	9,494,413
Committed	-	-	18,072	-	-	-	-	265,838	-	283,910
Unassigned (Deficit)	-	-	-	-	-	-	-	-	-	(707,118)
Total fund balance	-	29,329	18,072	2,687,565	-	-	-	265,838	-	9,071,205
Total liabilities and fund balance	\$ 206,589	\$ 29,329	\$ 22,793	\$ 4,153,076	\$ 22,448	\$ 223,623	\$ 4,600	\$ 324,564	\$ 302,637	\$ 20,228,171

County of York, Pennsylvania

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Nonmajor Governmental Funds

Year ended December 31, 2011

	Liquid Fuels Tax	Domestic Relations	Comprehensive Services to the Aged	Human Services	Drug and Alcohol	Brownfields for Housing	Adams HealthChoices Management	Drug Task Force	Justice Assistance Grant	Capital Projects Bond Account Fund
Revenues										
Intergovernmental	\$ 2,510,898	\$ 3,646,300	\$ 8,003,402	\$ 4,395,828	\$ 3,463,505	\$ -	\$ 12,212,452	\$ -	\$ 32,259	\$ 103,298
Departmental	-	151,416	266,221	-	-	-	-	-	-	-
Investment	6,512	9,685	-	-	3,986	-	10,906	2,455	7	2,031
Other	21,624	29,897	-	418,243	20,622	-	-	875,924	-	148,881
Total revenues	2,539,034	3,837,298	8,269,623	4,814,071	3,488,113	-	12,223,358	881,379	32,266	254,210
Expenditures										
Current:										
Public safety	-	-	-	-	-	-	-	-	-	-
Roads and bridges	1,173,337	-	-	-	-	-	-	-	-	-
Health, education, and welfare:										
Drug and alcohol	-	-	-	-	3,588,113	-	-	-	-	-
Office of aging	-	-	8,787,468	-	-	-	-	-	-	-
Human services	-	-	-	5,077,267	-	-	12,223,358	-	-	-
Judicial	-	4,436,888	-	-	-	-	-	804,828	32,266	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Conservation and community development	-	-	-	-	-	-	-	-	-	-
Capital outlay	751,526	-	-	-	-	-	-	-	-	6,221,241
Debt service:										
Principal retirement	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,924,863	4,436,888	8,787,468	5,077,267	3,588,113	-	12,223,358	804,828	32,266	6,221,241
Excess (deficiency) of revenues over (under) expenditures	614,171	(599,590)	(517,845)	(263,196)	(100,000)	-	-	76,551	-	(5,967,031)
Other financing sources (uses)										
Operating transfers in	-	741,675	517,845	263,196	100,000	-	-	-	-	4,342
Operating transfers out	(55,254)	-	-	-	-	-	-	-	-	(89,236)
Issuance of debt	-	-	-	-	-	-	-	-	-	3,794,755
Total other financing sources (uses)	(55,254)	741,675	517,845	263,196	100,000	-	-	-	-	3,709,861
Net change in fund balances	558,917	142,085	-	-	-	-	-	76,551	-	(2,257,170)
Fund balances, January 1	948,170	4,052,615	-	-	-	-	-	999,181	-	1,550,052
Fund balances (Deficit), December 31	\$ 1,507,087	\$ 4,194,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,075,732	\$ -	\$ (707,118)

County of York, Pennsylvania

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Nonmajor Governmental Funds (Continued)

Year ended December 31, 2011

	Access Grant Program	Donations	Earn-It	Affordable Housing	Weatherization	Downtown Hanover Improvement	Core Communities	Prison Telephone	ARRA Weatherization	Total
Revenues										
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 553,497	\$ -	\$ -	\$ -	\$ 1,619,543	\$ 36,540,982
Departmental	-	-	-	316,440	-	-	-	870,047	-	1,604,124
Investment	-	42	-	6,778	21	-	-	2,340	68	44,831
Other	-	27,442	3,226	-	4,352	-	-	-	-	1,553,211
Total revenues	-	27,484	3,226	323,218	557,870	-	-	872,387	1,619,611	39,743,148
Expenditures										
Current:										
Public safety	-	-	-	-	-	-	-	1,043,884	-	1,043,884
Roads and bridges	-	-	-	-	-	-	-	-	-	1,173,337
Health, education, and welfare:										
Drug and alcohol	-	-	-	-	-	-	-	-	-	3,588,113
Office of aging	-	-	-	-	-	-	-	-	-	8,787,468
Human services	-	-	-	-	-	-	-	-	-	17,300,625
Judicial	-	-	6,694	-	-	-	-	-	-	5,280,676
Cultural and recreation	-	85,407	-	-	-	-	-	-	-	85,407
Conservation and community development	-	-	-	1,889,259	557,870	-	-	-	1,619,611	4,066,740
Capital outlay	-	-	-	-	-	-	-	-	-	6,972,767
Debt service:										
Principal retirement	-	-	-	17,349	-	-	-	-	-	17,349
Interest and fiscal charges	-	-	-	83,580	-	-	-	-	-	83,580
Total expenditures	-	85,407	6,694	1,990,188	557,870	-	-	1,043,884	1,619,611	48,399,246
Excess (deficiency) of revenues over (under) expenditures	-	(57,923)	(3,468)	(1,666,970)	-	-	-	(171,497)	-	(8,636,798)
Other financing sources (uses)										
Operating transfers in	-	-	-	-	-	-	-	-	-	1,627,058
Operating transfers out	-	(43)	-	-	-	-	-	-	-	(144,533)
Issuance of debt	-	(43)	-	3,243,000	-	-	-	-	-	7,037,255
Total other financing sources (uses)	-	-	-	3,243,000	-	-	-	-	-	8,520,280
Net change in fund balances	-	(57,966)	(3,468)	1,576,030	-	-	-	(171,497)	-	(136,518)
Fund balances, January 1	-	87,295	21,540	1,111,535	-	-	-	437,335	-	9,207,723
Fund balances (Deficit), December 31	\$ -	\$ 29,329	\$ 18,072	\$ 2,687,565	\$ -	\$ -	\$ -	\$ 265,838	\$ -	\$ 9,071,205

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Liquid Fuels Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget – Positive (Negative)
Revenues				
Intergovernmental	\$ 675,000	\$ 675,000	\$ 2,510,898	\$ 1,835,898
Investment	-	-	6,512	6,512
Other	1,440,150	1,440,150	21,624	(1,418,526)
Total revenues	2,115,150	2,115,150	2,539,034	423,884
Expenditures				
Current:				
Road and bridges	2,002,000	2,002,000	1,173,337	828,663
Capital outlay	-	-	751,526	(751,526)
Total expenditures	2,002,000	2,002,000	1,924,863	77,137
Excess of revenues over(under) expenditures	113,150	113,150	614,171	501,021
Other financing uses				
Transfers out	(55,000)	(55,000)	(55,254)	(254)
Net change in fund balances	\$ 58,150	\$ 58,150	\$ 558,917	\$ 500,767

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Domestic Relations Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,425,419	\$ 3,425,419	\$ 3,646,300	\$ 220,881
Departmental	182,500	182,500	151,416	(31,084)
Investment	15,000	15,000	9,685	(5,315)
Other	33,000	33,000	29,897	(3,103)
Total revenues	3,655,919	3,655,919	3,837,298	181,379
Expenditures				
Current:				
Judicial	4,993,502	4,993,502	4,436,888	556,614
Total expenditures	4,993,502	4,993,502	4,436,888	556,614
Deficiency of revenues under expenditures	(1,337,583)	(1,337,583)	(599,590)	737,993
Other financing sources				
Transfers in	741,675	741,675	741,675	-
Net change in fund balances	\$ (595,908)	\$ (595,908)	\$ 142,085	\$ 737,993

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Comprehensive Services to the Aged Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 7,411,328	\$ 7,411,328	\$ 8,003,402	\$ 592,074
Departmental	387,287	387,287	266,221	(121,066)
Total revenues	7,798,615	7,798,615	8,269,623	471,008
Expenditures				
Current:				
Health, education, and welfare:				
Office of aging	8,316,460	8,316,460	8,787,468	(471,008)
Total expenditures	8,316,460	8,316,460	8,787,468	(471,008)
Deficiency of revenues under expenditures	(517,845)	(517,845)	(517,845)	-
Other financing sources				
Transfers in	517,845	517,845	517,845	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Human Services Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,575,568	\$ 5,259,726	\$ 4,395,828	\$ (863,898)
Other	313,637	517,610	418,243	(99,367)
Total revenues	4,889,205	5,777,336	4,814,071	(963,265)
Expenditures				
Current:				
Human services	5,059,136	5,947,267	5,077,267	870,000
Total expenditures	5,059,136	5,947,267	5,077,267	870,000
Deficiency of revenues under expenditures	(169,931)	(169,931)	(263,196)	(93,265)
Other financing sources				
Transfers in	169,931	169,931	263,196	93,265
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Drug and Alcohol Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,962,704	\$ 2,962,704	\$ 3,463,505	\$ 500,801
Investment	1,000	1,000	3,986	2,986
Other	27,813	27,813	20,622	(7,191)
Total revenues	2,991,517	2,991,517	3,488,113	496,596
Expenditures				
Current:				
Health, education, and welfare:				
Drug and alcohol	3,091,517	3,091,517	3,588,113	(496,596)
Total expenditures	3,091,517	3,091,517	3,588,113	(496,596)
Deficiency of revenues under expenditures	(100,000)	(100,000)	(100,000)	-
Other financing sources				
Transfers in	100,000	100,000	100,000	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Adams HealthChoices Management Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 13,438,689	\$ 13,438,689	\$ 12,212,452	\$ (1,226,237)
Investment	11,500	11,500	10,906	(594)
Total revenues	13,450,189	13,450,189	12,223,358	(1,226,831)
Expenditures				
Current:				
Human services	13,491,715	13,491,715	12,223,358	1,268,357
Total expenditures	13,491,715	13,491,715	12,223,358	1,268,357
Deficiency of revenues under expenditures	(41,526)	(41,526)	-	41,526
Net change in fund balances	\$ (41,526)	\$ (41,526)	\$ -	\$ 41,526

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Justice Assistance Grant Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget – Positive (Negative)
Revenues				
Intergovernmental	\$ 70,000	\$ 70,000	\$ 32,259	\$ (37,741)
Investment	-	-	7	7
Total revenues	70,000	70,000	32,266	(37,734)
Expenditures				
Current:				
Judicial	70,000	70,000	32,266	37,734
Total expenditures	70,000	70,000	32,266	37,734
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Earn It Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Other	\$ 8,000	\$ 8,000	\$ 3,226	\$ (4,774)
Total revenues	8,000	8,000	3,226	(4,774)
Expenditures				
Current:				
Judicial	8,000	8,000	6,694	1,306
Total expenditures	8,000	8,000	6,694	1,306
Excess of revenues over expenditures	-	-	(3,468)	(3,468)
Net change in fund balances	\$ -	\$ -	\$ (3,468)	\$ (3,468)

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Affordable Housing Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Departmental	\$ 410,000	\$ 410,000	\$ 316,440	\$ (93,560)
Investment	2,500	2,500	6,778	4,278
Total revenues	412,500	412,500	323,218	(89,282)
Expenditures				
Current:				
Conservation and community development	412,500	412,500	1,889,259	(1,476,759)
Debt service:				
Principal retirement	-	-	17,349	(17,349)
Interest and fiscal charges	-	-	83,580	(83,580)
Total expenditures	412,500	412,500	1,990,188	(1,577,688)
Excess of revenues over expenditures	-	-	(1,666,970)	(1,666,970)
Other financing sources (uses)				
Issuance of debt	-	-	3,243,000	3,243,000
Total other financing sources	-	-	3,243,000	3,243,000
Net change in fund balances	\$ -	\$ -	\$ 1,576,030	\$ 1,576,030

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Weatherization Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,009,423	\$ 1,009,423	\$ 553,497	\$ (455,926)
Investment	-	-	21	21
Other	-	-	4,352	4,352
Total revenues	1,009,423	1,009,423	557,870	(451,553)
Expenditures				
Current:				
Conservation and community development	1,009,423	1,009,423	557,870	451,553
Total expenditures	1,009,423	1,009,423	557,870	451,553
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Downtown Hanover Improvement Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
Investment	100	100	-	(100)
Total revenues	250,100	250,100	-	(250,100)
Expenditures				
Current:				
Conservation and community development	250,100	250,100	-	250,100
Total expenditures	250,100	250,100	-	250,100
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – ARRA Weatherization Fund

Year ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,000,000	\$ 2,000,000	\$ 1,619,543	\$ (380,457)
Investment	-	-	68	68
Total revenues	2,000,000	2,000,000	1,619,611	(380,389)
Expenditures				
Current:				
Conservation and community development	2,000,000	2,000,000	1,619,611	380,389
Total expenditures	2,000,000	2,000,000	1,619,611	380,389
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	\$ -	\$ -	\$ -	\$ -

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Agency Funds

Year ended December 31, 2011

	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011
Tax Claim Bureau				
Assets:				
Cash and cash equivalents	\$ 775,897	\$ 28,783,468	\$ 28,162,160	\$ 1,397,205
Investments	1,215,885	42,785	457,549	801,121
Accounts receivable	151,896	133,080	151,896	133,080
Delinquent taxes receivable on behalf of other governments	12,174,459	20,096,286	19,340,905	12,929,840
Total assets	<u>\$ 14,318,137</u>	<u>\$ 49,055,619</u>	<u>\$ 48,112,510</u>	<u>\$ 15,261,246</u>
Liabilities:				
Due to other governments	\$ 1,674,408	\$ 1,103,309	\$ 917,127	\$ 1,860,590
Other liabilities	12,643,729	52,634,849	51,877,922	13,400,656
Total liabilities	<u>\$ 14,318,137</u>	<u>\$ 53,738,158</u>	<u>\$ 52,795,049</u>	<u>\$ 15,261,246</u>
Unclaimed Money				
Assets:				
Cash and cash equivalents	\$ 332,371	\$ 166,504	\$ 186,507	\$ 312,368
Total assets	<u>\$ 332,371</u>	<u>\$ 166,504</u>	<u>\$ 186,507</u>	<u>\$ 312,368</u>
Liabilities:				
Other liabilities	\$ 332,371	\$ 166,504	\$ 186,507	\$ 312,368
Total liabilities	<u>\$ 332,371</u>	<u>\$ 166,504</u>	<u>\$ 186,507</u>	<u>\$ 312,368</u>
Row Offices				
Assets:				
Cash and cash equivalents	\$ 7,798,084	\$ 48,491,191	\$ 50,118,692	\$ 6,170,583
Total assets	<u>\$ 7,798,084</u>	<u>\$ 48,491,191</u>	<u>\$ 50,118,692</u>	<u>\$ 6,170,583</u>
Liabilities:				
Due to other governments	\$ 3,787,671	\$ 40,494,533	\$ 40,757,292	\$ 3,524,912
Other liabilities	4,010,413	7,996,658	9,361,400	2,645,671
Total liabilities	<u>\$ 7,798,084</u>	<u>\$ 48,491,191</u>	<u>\$ 50,118,692</u>	<u>\$ 6,170,583</u>

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Agency Funds (continued)

Year ended December 31, 2011

	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011
Landfill Escrow				
Assets:				
Cash and cash equivalents	\$ 137,512	\$ 2,913,420	\$ 1,247,113	\$ 1,803,819
Investments	6,122,368	2,565,864	4,022,130	4,666,102
Total assets	<u>\$ 6,259,880</u>	<u>\$ 5,479,284</u>	<u>\$ 5,269,243</u>	<u>\$ 6,469,921</u>
Liabilities:				
Other liabilities	\$ 6,259,880	\$ 5,479,284	\$ 5,269,243	\$ 6,469,921
Total liabilities	<u>\$ 6,259,880</u>	<u>\$ 5,479,284</u>	<u>\$ 5,269,243</u>	<u>\$ 6,469,921</u>
Total All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 9,043,864	\$ 80,354,583	\$ 79,714,472	\$ 9,683,975
Investments	7,338,253	2,608,649	4,479,679	5,467,223
Accounts receivable	151,896	133,080	151,896	133,080
Delinquent taxes receivable on behalf of other governments	12,174,459	20,096,286	19,340,905	12,929,840
Total assets	<u>\$ 28,708,472</u>	<u>\$ 103,192,598</u>	<u>\$ 103,686,952</u>	<u>\$ 28,214,118</u>
Liabilities:				
Due to other governments	\$ 5,462,079	\$ 41,597,842	\$ 41,674,419	\$ 5,385,502
Other liabilities	23,246,393	66,277,295	66,695,072	22,828,616
Total liabilities	<u>\$ 28,708,472</u>	<u>\$ 107,875,137</u>	<u>\$ 108,369,491</u>	<u>\$ 28,214,118</u>

County of York, Pennsylvania

Combining Statement of Changes in Assets and Liabilities – Row Offices

Year ended December 31, 2011

	Balance January 1, 2011	Additions	Deletions	Balance December 31, 2011
Assets:				
Cash and cash equivalents	\$ 7,798,084	\$ 48,491,191	\$ 50,118,692	\$ 6,170,583
Total assets	<u>\$ 7,798,084</u>	<u>\$ 48,491,191</u>	<u>\$ 50,118,692</u>	<u>\$ 6,170,583</u>
Liabilities:				
Due to other governments				
Clerk of courts	\$ 1,360,122	\$ 8,371,648	\$ 8,692,237	\$ 1,039,533
Prothonotary	184,600	2,327,488	2,329,129	182,959
Register of wills	67,190	936,589	923,393	80,386
Recorder of deeds	2,085,220	26,467,346	26,496,242	2,056,324
Sheriff	59,964	1,851,543	1,773,368	138,139
Treasurer	30,575	539,919	542,923	27,571
	<u>3,787,671</u>	<u>40,494,533</u>	<u>40,757,292</u>	<u>3,524,912</u>
Other liabilities				
Clerk of courts	161,743	1,230,910	1,244,952	147,701
Prothonotary	675,289	335,130	390,197	620,222
Sheriff	3,173,381	6,398,550	7,695,634	1,876,297
Treasurer	-	32,068	30,617	1,451
	<u>4,010,413</u>	<u>7,996,658</u>	<u>9,361,400</u>	<u>2,645,671</u>
Total liabilities	<u>\$ 7,798,084</u>	<u>\$ 48,491,191</u>	<u>\$ 50,118,692</u>	<u>\$ 6,170,583</u>

County of York, Pennsylvania

Combining Balance Sheet – Agency Funds

December 31, 2011

	Tax Claim Bureau	Unclaimed Money	Row Offices	Landfill Escrow	Total Agency Funds
Assets					
Cash and cash equivalents	\$ 1,397,205	\$ 312,368	\$ 6,170,583	\$ 1,803,819	\$ 9,683,975
Investments:					
Certificates of Deposit	100,017	-	-	-	100,017
U.S. treasuries	-	-	-	512,895	512,895
U.S government obligations	500,038	-	-	250,080	750,118
Municipal bonds	200,000	-	-	-	200,000
Fixed income mutual funds	-	-	-	3,903,127	3,903,127
Other	1,066	-	-	-	1,066
Accounts receivable	133,080	-	-	-	133,080
Delinquent taxes on behalf of other governments	12,929,840	-	-	-	12,929,840
Total assets	<u>\$ 15,261,246</u>	<u>\$ 312,368</u>	<u>\$ 6,170,583</u>	<u>\$ 6,469,921</u>	<u>\$ 28,214,118</u>
Liabilities					
Liabilities:					
Due to other governments	\$ 1,860,590	\$ -	\$ 3,524,912	\$ -	\$ 5,385,502
Other liabilities	13,400,656	312,368	2,645,671	6,469,921	22,828,616
Total liabilities	<u>\$ 15,261,246</u>	<u>\$ 312,368</u>	<u>\$ 6,170,583</u>	<u>\$ 6,469,921</u>	<u>\$ 28,214,118</u>

County of York, Pennsylvania

Statistical Section

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

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Financial Trends.....	151
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	158
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Debt Capacity.....	167
<i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Demographic and Economic Information.....	174
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Operating Information	177
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF YORK, PENNSYLVANIA

Net Assets by Component
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities										
Invested in capital assets, net of related debt	\$22,371,164	\$8,132,194	\$37,181,994	\$61,450,339	\$66,966,091	\$60,735,611	\$56,686,414	\$64,406,876	\$71,979,387	\$70,136,376
Restricted	5,465,204	14,694,012	34,142,149	15,847,972	16,517,142	8,663,320	8,615,489	9,478,645	7,954,284	9,570,727
Unrestricted	43,973,731	69,308,136	31,277,325	8,659,107	8,542,116	23,750,107	4,690,702	(9,642,796)	(19,233,413)	(40,114,063)
Total Net Assets	\$71,810,099	\$92,134,342	\$102,601,468	\$85,957,418	\$92,025,349	\$93,149,038	\$69,992,605	\$64,242,725	\$60,700,258	\$39,593,040
Business-type activities										
Invested in capital assets, net of related debt	\$9,606,970	\$8,984,149	\$8,298,788	\$11,176,610	\$12,184,861	\$20,327,930	\$19,613,487	\$16,424,814	\$16,620,389	\$16,358,248
Restricted	-	-	-	2,620,297	6,807,576	457,070	1,931,678	1,904,105	1,692,364	3,196,664
Unrestricted	(6,896,721)	(4,103,069)	(3,158,616)	(3,299,070)	(3,049,857)	(3,170,496)	(6,102,728)	(7,941,894)	(8,595,207)	(9,258,601)
Total Net Assets	\$2,710,249	\$4,881,080	\$5,140,172	\$10,497,837	\$15,942,580	\$17,614,504	\$15,442,437	\$10,387,025	\$9,717,546	\$10,296,311
Primary government										
Invested in capital assets, net of related debt	\$31,978,134	\$17,116,343	\$45,480,782	\$72,626,949	\$79,150,952	\$81,063,541	\$76,299,901	\$80,831,690	\$88,599,776	\$86,494,624
Restricted	5,465,204	14,694,012	34,142,149	18,468,269	23,324,718	9,120,390	10,547,167	11,382,750	9,646,648	12,767,391
Unrestricted	37,077,010	65,205,067	28,118,709	5,360,037	5,492,259	20,579,611	(1,412,026)	(17,584,690)	(27,828,620)	(49,372,664)
Total Net Assets	\$74,520,348	\$97,015,422	\$107,741,640	\$96,455,255	\$107,967,929	\$110,763,542	\$85,435,042	\$74,629,750	\$70,417,804	\$49,889,351

NOTE: The County implemented GASB Statement 51 and 53 beginning in 2010; and, therefore, prior years have not been adjusted to reflect implementation of these standards.

COUNTY OF YORK, PENNSYLVANIA

Changes in Net Assets
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Program Expenses										
Governmental activities:										
General government	\$16,497,868	\$9,901,753	\$8,186,185	\$9,958,064	\$10,156,102	\$14,251,594	\$14,419,988	\$14,137,543	\$14,640,710	\$13,553,130
Public safety	45,010,561	46,761,755	51,504,975	52,757,075	59,583,122	68,050,405	73,715,098	79,233,907	60,711,011	63,954,882
Roads and bridges	1,028,481	1,070,320	1,460,581	1,724,826	1,519,225	1,555,772	1,599,298	1,414,983	1,222,838	1,745,365
Health, education, and welfare	116,407,461	118,960,319	130,691,664	150,917,113	182,502,488	185,328,405	192,665,487	187,215,186	177,988,772	178,166,138
Judicial	21,620,905	22,395,939	25,356,501	27,461,906	33,005,665	37,723,009	38,718,385	40,673,541	40,303,397	41,611,232
Cultural and recreation	4,777,294	4,135,753	3,975,262	5,052,808	5,500,997	5,544,178	11,559,587	8,015,693	6,911,070	7,388,731
Conservation and community development	4,422,325	4,476,961	8,120,947	9,971,653	8,753,756	10,790,340	9,806,441	9,812,529	14,873,633	12,949,541
Other departments and programs	18,623,218	23,384,458	27,124,485	29,719,493	-	-	-	-	-	-
Interest expense	2,404,939	2,199,266	6,172,075	6,047,723	8,091,591	8,174,354	7,992,510	8,752,020	3,837,074	5,838,841
Total governmental activities expenses	230,793,062	233,286,524	262,592,675	283,610,661	309,112,946	331,418,057	350,276,794	349,255,392	320,488,505	325,207,860
Business-type activities:										
Nursing Home	30,823,203	29,904,674	31,408,961	34,311,628	34,401,615	36,278,618	38,935,764	40,283,554	39,884,197	40,954,101
911 Operations	5,109,318	4,717,399	5,697,089	6,126,718	9,047,249	10,517,763	11,015,753	13,574,231	14,739,999	15,448,100
Total business-type activities expenses	35,932,521	34,622,073	37,106,050	40,438,346	43,448,864	46,796,381	49,951,517	53,857,785	54,604,196	56,402,201
Total primary government expenses	\$266,725,573	\$267,908,597	\$299,698,725	\$334,049,007	\$352,561,810	\$378,214,438	\$400,228,311	\$403,113,177	\$375,092,701	\$381,610,061
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$29,602,142	\$25,469,334	\$4,425,195	\$4,361,634	\$4,779,047	\$4,320,286	\$4,047,166	\$4,290,494	\$4,937,098	\$4,942,983
Public safety	0	0	16,564,090	17,323,468	17,709,817	25,326,805	23,832,635	25,057,041	28,407,477	29,548,437
Health, education, and welfare	0	1,172,064	1,807,946	1,234,217	1,383,788	1,172,881	1,217,476	798,376	842,838	957,623
Judicial	2,912,549	3,318,048	4,121,128	3,764,266	8,648,684	8,948,401	9,605,638	10,105,999	11,092,481	10,842,412
Cultural and recreation	-	-	-	-	472,389	356,738	1,068,990	796,590	601,593	678,867
Conservation and community development	-	-	614,041	672,613	1,342,886	735,994	431,326	446,313	459,155	319,216
Operating grants and contributions	10,386,110	16,010,539	319,066	451,701	2,111,569	681,218	489,157	559,971	579,609	686,093
General government	-	-	14,552,398	12,304,777	3,874,309	4,306,031	2,512,450	3,840,805	2,777,420	2,963,707
Public safety	689,455	677,436	991,347	873,349	627,984	741,487	825,491	792,344	679,314	1,759,372
Roads and bridges	78,575,133	109,802,565	122,142,092	141,928,972	167,632,598	172,546,400	181,039,486	173,959,176	154,766,870	152,185,462
Health, education, and welfare	2,552,807	7,028,663	4,628,140	4,799,100	4,458,067	4,782,595	4,697,532	5,156,901	5,153,466	5,438,185
Judicial	65,029	9,853	77,833	407,797	1,478,666	401,071	1,811,168	615,200	1,368,854	585,940
Cultural and recreation	3,203,928	4,045,842	6,716,449	9,017,875	4,116,276	4,735,902	4,107,192	7,871,503	8,480,754	6,517,311
Conservation and community development	36,579,693	-	93,330	7,500	-	-	-	-	-	-
Capital Grants and contributions	-	-	-	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-	-	2,714,932	673,205
Roads and bridges	-	-	-	-	-	-	-	-	1,827,996	751,526
Health, education, and welfare	-	-	-	-	-	-	-	-	-	365,734
Total governmental activities program revenues	164,566,846	167,534,344	177,053,055	197,145,269	218,655,080	229,055,609	235,685,707	234,290,713	224,687,657	219,216,073
Business-type activities:										
Nursing Home	23,432,665	24,963,143	29,856,030	29,876,698	30,322,892	32,754,622	31,660,066	30,368,739	34,225,173	32,204,714
911 Operations	3,584,593	3,420,389	3,481,393	7,216,897	7,775,303	4,847,911	4,544,574	5,811,237	6,208,753	6,706,462
Total business-type activities program revenues	27,017,258	28,383,532	33,337,423	37,093,595	38,098,195	37,602,533	36,204,640	36,179,976	40,433,926	38,911,176
Total primary government program revenues	\$191,584,104	\$195,917,876	\$210,390,478	\$234,238,864	\$256,753,275	\$266,658,142	\$271,890,347	\$270,470,689	\$265,121,783	\$258,127,249

COUNTY OF YORK, PENNSYLVANIA

Changes in Net Assets (Continued)

Last Ten Years

(accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (expense)/revenue										
Governmental activities	(\$66,226,206)	(\$65,752,180)	(\$85,539,620)	(\$96,465,392)	(\$90,457,866)	(\$102,362,448)	(\$114,591,087)	(\$114,964,679)	(\$95,800,648)	(\$105,991,787)
Business-type activities	(8,915,263)	(6,238,541)	(3,768,627)	(3,344,751)	(5,350,669)	(9,193,848)	(13,746,877)	(17,677,809)	(14,170,270)	(17,491,025)
Total primary government net expense	(\$75,141,469)	(\$71,990,721)	(\$89,308,247)	(\$99,810,143)	(\$95,808,535)	(\$111,556,296)	(\$128,337,964)	(\$132,642,488)	(\$109,970,918)	(\$123,482,812)
General Revenues and Other										
Changes in Net Assets										
Governmental activities:										
Property Taxes	\$56,980,819	\$77,374,259	\$78,458,444	\$87,464,946	\$94,214,158	\$100,174,845	\$99,583,850	\$108,377,613	\$109,249,003	\$110,419,716
Unrestricted investment earnings	2,683,173	2,907,227	3,682,117	5,009,546	8,907,615	8,639,127	5,460,750	3,243,451	(10,844,101)	(10,568,496)
Hotel tax	1,129,349	1,215,365	1,246,033	1,318,066	1,372,501	1,494,914	1,461,458	1,301,778	1,340,664	1,495,347
Other	14,145,862	12,838,944	10,570,933	10,581,200	1,401,501	2,970,608	1,948,805	3,046,577	3,623,839	1,588,306
Gain (Loss) sale of assets	-	150,000	150,000	150,000	150,000	37,500	(1,917)	-	-	-
Special item - litigation expense	-	-	-	(16,000,000)	-	-	(5,500,000)	-	-	-
Proceeds from swap transactions	-	-	4,680,667	-	-	-	-	5,850,000	-	-
Transfers	(2,593,441)	(8,409,372)	(4,027,719)	(7,984,154)	(9,519,978)	(9,830,857)	(11,518,292)	(12,604,620)	(13,484,220)	(18,050,304)
Total governmental activities	72,345,762	86,076,423	94,740,475	80,539,604	96,525,797	103,486,137	91,434,654	109,214,799	89,885,185	84,884,569
Business-type activities:										
Unrestricted investment earnings	-	-	-	-	1,275,434	1,034,915	56,518	17,777	16,571	19,486
Transfers	2,593,441	8,409,372	4,027,719	7,984,154	9,519,978	9,830,857	11,518,292	12,604,620	13,484,220	18,050,304
Total business-type activities	2,593,441	8,409,372	4,027,719	7,984,154	10,795,412	10,865,772	11,574,810	12,622,397	13,500,791	18,069,790
Total primary government	\$74,939,203	\$94,485,795	\$98,768,194	\$88,523,758	\$107,321,209	\$114,351,909	\$103,009,464	\$121,837,196	\$103,385,976	\$102,954,359
Change in Net Assets										
Governmental activities	\$6,119,556	\$20,324,243	\$9,200,855	(\$15,925,788)	\$6,067,931	\$1,123,689	(\$23,156,433)	(\$5,749,880)	(\$5,915,463)	(\$21,107,218)
Business-type activities	(6,321,822)	2,170,831	259,092	4,639,403	5,444,743	1,671,924	(2,172,067)	(5,055,412)	(669,478)	578,765
Total primary government	(\$202,266)	\$22,495,074	\$9,459,947	(\$11,286,385)	\$11,512,674	\$2,795,613	(\$25,328,500)	(\$10,805,292)	(\$6,584,942)	(\$20,528,453)

NOTE: The County implemented GASB Statement 51 and 53 beginning in 2010; and, therefore, prior years have not been adjusted to reflect implementation of these standards.

COUNTY OF YORK, PENNSYLVANIA
 Governmental Activities Tax Revenues by Source
 Last Ten Fiscal Years
 (accrual basis of accounting)

<u>Fiscal Year</u>	<u>Real Estate Tax</u>	<u>Hotel Room Tax</u>	<u>Total</u>
2002	\$56,980,819	\$1,129,349	\$58,110,168
2003	77,374,259	1,215,365	78,589,624
2004	78,458,444	1,246,033	79,704,477
2005	87,464,946	1,318,066	88,783,012
2006	94,214,158	1,372,501	95,586,659
2007	100,174,845	1,494,914	101,669,759
2008	99,583,850	1,461,458	101,045,308
2009	108,377,613	1,301,778	109,679,391
2010	109,249,003	1,340,664	110,589,667
2011	110,419,716	1,495,347	111,915,063

COUNTY OF YORK, PENNSYLVANIA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	(1) 2002	(1) 2003	(1) 2004	(1) 2005	(1) 2006	(1) 2007	2008	2009	2010	2011
General Fund										
Reserved	\$ -	\$ -	\$ 5,413,570	\$ 8,503,496	\$ 8,281,067	\$ 7,928,694	\$ 9,616,046	\$ 23,217,673	\$ 21,855,801	\$ -
Unreserved	11,403,499	21,879,194	23,056,636	23,088,451	16,599,451	15,784,554	4,514,853	9,409,965	15,151,606	-
Nonspendable	-	-	-	-	-	-	-	-	-	12,443,854
Restricted	-	-	-	-	-	-	-	-	-	76,314
Committed	-	-	-	-	-	-	-	-	-	35,896
Assigned	-	-	-	-	-	-	-	-	-	4,886,484
Unassigned	-	-	-	-	-	-	-	-	-	14,823,744
Total General Fund	<u>\$ 11,403,499</u>	<u>\$ 21,879,194</u>	<u>\$ 28,470,206</u>	<u>\$ 31,591,947</u>	<u>\$ 24,880,518</u>	<u>\$ 23,713,248</u>	<u>\$ 14,130,899</u>	<u>\$ 32,627,638</u>	<u>\$ 37,007,407</u>	<u>\$ 32,266,292</u>
All other-governmental funds										
Reserved										
Capital Projects Fund	\$ 31,493,588	\$ 39,835,532	\$ 26,027,730	\$ 6,320,087	\$ 25,099,699	\$ 26,984,494	\$ 9,749,272	\$ 2,196,319	\$ 1,550,052	\$ -
Other Nonmajor Funds	5,465,204	6,471,220	6,348,032	6,491,523	7,197,050	6,503,313	6,493,878	7,658,505	7,657,671	-
Restricted	-	-	-	-	-	-	-	-	-	9,494,413
Committed	-	-	-	-	-	-	-	-	-	283,910
Unassigned	-	-	-	-	-	-	-	-	-	(707,118)
Total all other governmental funds	<u>\$ 36,958,792</u>	<u>\$ 46,306,752</u>	<u>\$ 32,375,762</u>	<u>\$ 12,811,610</u>	<u>\$ 32,296,749</u>	<u>\$ 33,487,807</u>	<u>\$ 16,243,150</u>	<u>\$ 9,854,824</u>	<u>\$ 9,207,723</u>	<u>\$ 9,071,205</u>
Total fund balances of all governmental funds	<u>\$ 48,362,291</u>	<u>\$ 68,185,946</u>	<u>\$ 60,845,968</u>	<u>\$ 44,403,557</u>	<u>\$ 57,177,267</u>	<u>\$ 57,201,055</u>	<u>\$ 30,374,049</u>	<u>\$ 42,482,462</u>	<u>\$ 46,215,130</u>	<u>\$ 41,337,497</u>

NOTES:

(1) Certain reclassifications were made to prior year amounts to conform to the 2008-2010 presentation.

The County implemented GASB Statement 54 beginning in 2011; and, therefore, prior years have not been adjusted to reflect implementation of this standard.

COUNTY OF YORK, PENNSYLVANIA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Real estate taxes	\$56,879,136	\$76,389,344	\$78,089,574	\$86,831,194	\$93,382,328	\$98,751,116	\$102,903,780	\$108,695,090	\$109,762,800	\$110,537,455
Intergovernmental	130,241,234	133,414,027	149,520,655	169,789,071	184,299,469	188,194,704	195,482,476	192,795,900	178,347,215	171,926,535
Departmental	29,602,142	26,872,249	25,867,845	25,780,527	30,055,002	35,969,407	34,990,258	36,158,035	40,495,979	41,834,161
Fines and costs	2,912,549	3,087,197	3,378,092	3,684,911	4,300,609	4,891,498	5,212,973	5,336,778	5,844,663	5,455,377
Hotel tax	1,129,349	1,215,365	1,246,033	1,318,066	1,372,501	1,494,914	1,461,458	1,301,778	1,340,664	1,495,347
Investment	2,683,173	2,907,227	3,682,117	5,009,546	8,907,615	8,639,127	5,460,750	3,243,451	192,854	233,130
Other	9,926,464	11,161,285	10,570,933	10,581,200	1,401,501	2,970,608	1,948,805	3,046,577	3,623,839	1,588,306
Total Revenues	233,374,047	255,046,694	272,355,249	302,994,515	323,719,025	340,911,374	347,460,500	350,577,609	339,608,014	333,070,311
Expenditures										
Current:										
General government	15,343,145	9,341,635	11,270,768	11,553,295	12,598,142	13,443,367	13,330,319	11,497,949	12,603,984	12,235,067
Public safety	45,010,561	46,802,474	50,167,283	51,080,869	64,980,272	68,057,879	73,909,519	78,884,544	59,640,040	60,324,918
Roads & bridges	551,949	909,980	934,533	1,213,279	1,000,228	1,045,462	1,086,155	907,161	706,836	1,173,337
Health, education, and welfare	116,492,170	118,719,105	130,483,066	150,692,137	182,271,868	183,875,350	191,241,668	185,051,300	175,797,999	175,964,324
Judicial	20,485,919	21,324,134	24,258,505	25,477,550	30,984,793	35,078,905	36,019,082	37,459,480	37,068,087	38,308,518
Cultural and recreation	5,195,785	3,739,480	3,918,275	4,920,655	5,311,734	5,089,034	11,011,254	8,330,435	7,626,813	8,101,030
Conservation and community development	4,422,325	4,476,961	8,120,947	9,971,653	8,753,756	10,755,287	9,573,955	9,755,949	14,815,978	12,894,200
Other departments and programs	18,649,327	19,638,868	27,124,485	29,719,493	-	-	-	-	-	-
Capital outlay	16,136,136	29,694,855	14,222,422	18,943,258	16,882,310	15,682,655	33,820,265	8,115,158	8,673,466	8,386,541
Debt service:										
Principal retirement	3,370,000	13,990,000	6,375,000	2,630,000	2,800,000	2,970,000	3,765,895	1,279,243	3,692,743	3,963,066
Interest and fiscal charges	2,431,158	2,124,381	5,816,140	6,096,095	7,947,043	8,163,415	8,266,213	8,961,225	5,526,084	5,584,394
Total Expenditures	248,088,475	270,761,873	282,691,424	312,298,284	333,530,146	344,161,354	382,024,325	350,242,444	326,152,050	326,935,395
Other financing sources (uses)										
Transfers in	3,589,809	14,142,917	6,642,355	6,432,168	7,936,470	7,201,633	5,984,578	8,469,230	10,891,978	12,366,333
Transfers out	(6,183,250)	(26,398,188)	(10,670,074)	(14,416,322)	(17,456,448)	(17,032,490)	(17,502,870)	(21,073,850)	(24,376,198)	(30,416,637)
Transfer of bond proceeds, net	-	-	-	-	-	6,595,642	(13,368,104)	(1,399,175)	(25,801)	-
Payment to refunded bonds/notes	(20,510,000)	(7,334,341)	-	-	-	-	(130,237,555)	(10,130,000)	(134,253,867)	-
Premium of bonds issued	1,711,759	539,845	-	-	-	-	-	-	1,831,066	-
Issuance of refunding bonds/notes	20,402,450	54,588,602	-	-	-	-	131,002,555	10,130,000	133,390,000	-
Bond discount	-	-	-	-	-	-	(150,188)	-	-	-
Proceeds from swap transactions/bonds	-	-	-	845,512	-	-	-	5,850,000	-	-
Issuance of debt, net	-	-	-	-	32,104,809	6,508,983	32,008,403	19,927,043	2,819,526	7,037,755
Total other financing sources (uses)	(989,232)	35,538,835	632,948	(7,138,642)	22,584,831	3,273,768	7,736,819	11,773,248	(9,723,296)	(11,012,549)
Net changes in fund balances	(\$15,703,660)	\$19,823,656	(\$9,703,227)	(\$16,442,411)	\$12,773,710	\$23,788	(\$26,827,006)	\$12,108,413	\$3,732,668	(\$4,877,633)
Debt service as a percentage of noncapital expenditures	2.5%	6.7%	4.5%	3.0%	3.4%	3.4%	3.5%	3.0%	2.9%	3.0%

County of York, Pennsylvania

General Government Expenditures by Function (1)

Last Ten Years

Fiscal Year	General Government	Public Safety	Road and Bridges	Health, Education and Welfare	Judicial	Culture and Recreation	(4) Conservation and Community Development	Capital Outlay	(2) (3) Debt Service	(5) Other	Totals
2002	\$ 15,343,145	\$ 45,010,561	\$ 551,949	\$ 116,492,170	\$ 20,485,919	\$ 5,195,785	\$ 4,422,325	\$ 16,136,136	\$ 5,801,158	\$ 18,649,327	\$ 248,088,475
2003	9,341,635	46,802,474	909,980	118,719,105	21,324,134	3,739,480	4,476,961	39,694,855	6,114,381	19,638,868	270,761,873
2004	10,900,101	50,167,283	934,533	130,483,066	24,258,505	3,918,275	8,120,947	19,903,581	6,880,648	27,124,485	282,691,424
2005	11,553,295	51,080,869	1,213,279	150,692,137	25,477,550	4,920,655	9,971,653	19,843,717	7,825,636	29,719,493	312,298,284
2006	12,598,142	64,980,272	1,000,228	182,271,868	30,984,793	5,311,734	8,753,756	17,503,489	10,125,864	-	333,530,146
2007	13,443,367	68,057,879	1,045,462	183,875,350	35,078,905	5,089,034	10,755,287	15,682,655	11,133,415	-	344,161,354
2008	13,330,319	73,909,519	1,086,155	191,241,668	36,019,082	11,011,254	9,573,955	33,820,265	12,032,108	-	382,024,325
2009	11,497,949	78,884,544	907,161	185,051,300	37,459,480	8,330,435	9,755,949	8,115,158	10,240,468	-	350,242,444
2010	12,603,984	59,640,040	706,836	175,797,999	37,068,087	7,626,813	14,815,978	8,673,486	9,218,827	-	326,152,050
2011	12,235,067	60,324,918	1,173,337	175,964,324	38,308,518	8,101,030	12,894,200	8,386,541	9,547,460	-	326,935,395

NOTES:

- (1) Includes General, Special Revenue, and Capital Projects Funds.
- (2) Includes interest on tax anticipation debt as well as general obligation debt.
- (3) Does not include Enterprise Funds debt.
- (4) In 2006 includes Conservation
- (5) In 2006 allocated to specific categories

SOURCE:

Annual Reports of York County Controller and annual audit reports

County of York, Pennsylvania

General Governmental Revenues by Source (1)

Last Ten Years

Fiscal Year	Real Estate Taxes	Intergovernmental	Departmental	Fines and costs	Investment	(2)		(1) Totals
						Bond Proceeds and Other		
2002	\$ 56,879,136	\$ 130,241,234	\$ 29,602,142	\$ 2,912,549	\$ 2,683,173	\$ 33,170,022	\$	\$ 255,488,256
2003	76,389,344	133,414,027	26,872,249	3,087,197	2,907,227	67,505,097		310,175,141
2004	78,089,574	149,520,655	25,867,845	3,378,092	3,682,117	16,477,633		277,015,916
2005	86,831,194	169,789,071	25,780,527	3,684,911	5,009,546	12,744,778		303,840,027
2006	93,382,328	184,299,469	30,055,002	4,300,609	8,907,615	34,878,811		355,823,834
2007	98,751,116	188,194,704	35,969,407	4,891,498	8,639,127	17,570,147		354,015,999
2008	102,903,780	195,482,476	34,990,258	5,212,973	5,460,750	22,665,374		366,715,611
2009	108,695,090	192,795,900	36,158,035	5,336,778	3,243,451	28,726,223		374,955,477
2010	109,762,800	178,347,215	40,495,979	5,844,663	192,854	8,725,427		343,368,938
2011	110,537,455	171,926,535	41,834,161	5,455,377	233,130	10,121,408		340,108,066

NOTES:

(1) Includes General, Special Revenue, and Capital Projects Funds.

(2) Includes Proceeds From Bond Issues which are included in the financial section as Other Financing Sources, Hotel Tax Revenue, and Other Revenue.

SOURCE:

Annual Reports of York County Controller and annual audit reports

COUNTY OF YORK, PENNSYLVANIA**Governmental Funds Tax Revenues by Source****Last Ten Fiscal Years****(modified accrual basis of accounting)**

<u>Fiscal</u> <u>Year</u>	<u>Real Estate</u> <u>Tax</u>	<u>Hotel Room</u> <u>Tax</u>	<u>Total</u>
2002	\$ 56,879,136	\$ 1,129,349	\$ 58,008,485
2003	76,389,344	1,215,365	77,604,709
2004	78,089,574	1,246,033	79,335,607
2005	86,831,194	1,318,066	88,149,260
2006	93,382,328	1,372,501	94,754,829
2007	98,751,116	1,494,914	100,246,030
2008	102,903,780	1,461,458	104,365,238
2009	108,695,090	1,301,778	109,996,868
2010	109,762,800	1,340,664	111,103,464
2011	110,537,455	1,495,347	112,032,802

County of York, Pennsylvania

Property Values (1)

Last Ten Years
(Unaudited)

Fiscal Year	Residential	Commercial	Agricultural	Industrial	Miscellaneous/ Apartments	Utility/ Exempt	Total
2002	12,715,796,700	2,550,265,270	1,002,565,040	1,193,356,840	395,791,040	1,862,963,660	19,720,738,550
2003	13,057,581,771	2,581,495,372	1,005,817,560	1,266,176,390	406,252,128	1,897,754,020	20,215,077,241
2004	13,495,667,036	2,560,509,677	1,020,087,944	1,314,345,100	420,738,868	2,032,688,828	20,844,037,453
2005	13,949,867,005	2,603,167,919	1,025,581,993	1,329,580,868	434,332,035	2,052,310,379	21,394,840,199
2006	18,214,548,231	2,919,893,747	1,283,373,260	1,495,328,180	526,861,140	2,245,059,290	26,685,063,848 (2)
2007	18,935,263,993	3,016,730,827	1,302,861,410	1,521,024,870	553,290,360	2,588,846,790	27,918,018,250 (2)
2008	19,501,908,968	2,764,454,128	1,340,938,634	1,531,585,761	574,153,882	2,945,100,185	28,658,141,558 (2)
2009	19,872,206,413	2,774,301,329	1,342,949,640	1,551,709,559	575,328,905	2,700,447,914	28,816,943,760 (2)
2010	20,094,341,592	2,798,005,281	1,367,172,208	1,648,549,199	572,315,263	2,712,941,302	29,193,324,845 (2)
2011	20,250,978,863	2,847,780,035	1,370,314,145	1,681,083,004	576,469,708	2,698,957,561	29,425,583,316 (2)

NOTES:

(1) Property values are the assessed value as of the beginning of the year.

(2) In 2006, a County-wide reassessment took effect. Assessed values shown represent 100% of market values.

SOURCE:
Assessment Office

COUNTY OF YORK, PENNSYLVANIA
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Fiscal Year	(1) Real Estate Total Assessed Value	RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE	COUNTY REAL ESTATE MILLAGE RATE
2002	17,857,774,890	100	3.15
2003	18,317,323,221	100	4.20
2004	18,811,348,625	100	4.20
2005	19,342,529,820	100	4.51
2006	24,440,004,558 (2)	100	3.80
2007	25,329,171,460 (2)	100	3.91
2008	25,713,041,373 (2)	100	4.00
2009	26,116,495,846 (2)	100	4.15
2010	26,480,383,543 (2)	100	4.15
2011	26,726,625,755 (2)	100	4.15

NOTES:

(1) Does not include Exempt and Utility assessments.

(2) Beginning January 1, 2006, a County-wide reassessment took effect. All taxing authorities were required to lower their effective millage rates to reflect the increase in property values as a result of the new assessed values.

SOURCE: Assessment Office

COUNTY OF YORK, PENNSYLVANIA
Real Estate Millage Rates - Direct and Overlapping Governments
Last Ten Years

(1) Fiscal Year	County Direct Rates			Overlapping Rates		Total
	Basic Rate	Library Tax	Total Rate	(2) Municipalities	(2) School District	
2002	3.15		3.15	1.253	15.473	19.876
2003	4.20		4.20	1.380	16.583	22.163
2004	4.20		4.20	1.544	17.725	23.469
2005	4.41	0.10	4.51	1.655	19.507	25.672
2006	3.70	0.10	3.80 (3)	1.435	16.660	21.895
2007	3.81	0.10	3.91 (3)	1.555	17.653	23.118
2008	3.90	0.10	4.00 (3)	1.646	18.400	24.046
2009	4.05	0.10	4.15 (3)	1.711	18.400	24.261
2010	4.05	0.10	4.15 (3)	1.761	19.445	25.356
2011	4.05	0.10	4.15 (3)	1.875	19.756	25.781

NOTES:

- (1) The fiscal year shown represents the calendar year for the County and Municipalities and the fiscal year for School Districts which begins in July of the year shown and spans six months into the next calendar year.
- (2) Each unit within these classes levies its own millage rate. The rates shown are an average.
- (3) Beginning January 1, 2006, a County-wide reassessment took effect. All taxing authorities were required to lower their effective millage rates to reflect the increase in property values as a result of the new assessed values.

SOURCE: Assessment Office

COUNTY OF YORK, PENNSYLVANIA

Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
County Direct Rate	3.150	4.200	4.200	4.510	3.800	3.910	4.000	4.150	4.150	4.150
School District Rates										
Central York	13.290	14.330	15.830	17.470	15.320	16.310	16.810	16.810	17.760	17.760
Dallastown Area	16.510	17.760	20.240	21.740	18.810	19.810	20.850	20.840	22.260	22.260
Dover Area	16.050	17.420	18.770	18.770	16.800	17.820	18.870	18.870	20.330	20.530
Eastern York	15.700	16.600	17.500	19.200	16.100	17.380	18.340	18.340	18.850	19.050
Hanover Public	16.550	16.950	17.550	19.050	16.920	17.720	18.490	18.490	19.070	19.070
Northeastern	18.830	19.780	20.730	22.810	20.790	21.740	21.740	21.740	23.280	23.720
Northern	13.380	14.150	15.400	16.400	13.300	13.870	13.870	13.870	14.369	14.614
Red Lion Area	14.800	16.050	17.550	19.500	16.840	18.690	20.440	20.440	22.060	22.060
South Eastern	14.330	16.230	16.720	21.350	16.906	17.832	18.831	18.831	20.482	20.851
South Western	14.100	15.050	15.550	16.500	13.660	14.240	15.750	15.750	16.280	16.550
Southern	15.190	15.980	16.800	17.770	14.390	15.080	15.020	15.020	16.620	16.840
Spring Grove Area	14.000	15.230	16.700	18.200	15.890	17.200	18.340	18.340	19.130	19.670
West York Area	16.690	18.040	18.420	19.090	16.647	17.330	18.265	18.265	19.812	19.812
York City	21.780	22.250	24.000	27.960	27.190	29.540	29.540	29.540	29.540	31.078
York Suburban	14.900	16.220	17.500	18.570	16.834	17.688	18.740	18.740	20.171	20.453
West Shore	11.500	11.500	11.300	11.900	10.100	10.200	10.500	10.500	11.100	11.780
City										
York	11.390	11.390	12.520	13.520	13.170	13.670	14.670	15.640	15.640	17.390
Borough Rates										
Cross Roads	0.350	0.350	0.350	0.350	0.280	0.280	0.280	0.280	0.280	0.280
Dallastown	1.100	1.580	2.000	2.000	1.650	1.650	1.650	1.650	1.650	1.650
Delta	1.100	1.700	1.700	1.900	1.440	1.900	1.900	3.000	3.000	3.000
Dillsburg	2.900	2.900	2.900	2.900	2.370	2.370	2.370	2.370	2.370	2.370
Dover	1.800	1.800	1.800	1.800	1.690	1.690	1.690	1.690	1.690	1.690
East Prospect	1.000	1.000	1.000	1.000	0.750	1.000	1.000	1.000	1.000	1.000
Fawn Grove	0.400	0.600	1.300	1.300	0.720	1.000	1.000	1.000	1.000	1.250
Felton	0.320	1.100	1.100	1.100	0.950	1.100	1.700	1.700	1.900	2.200
Franklintown	1.210	1.210	1.210	1.210	1.080	1.880	1.880	1.880	1.880	1.880
Glen Rock	2.500	2.500	3.000	3.000	2.400	2.500	2.600	2.800	2.800	2.800
Goldsboro	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750
Hellam	3.000	3.000	3.200	3.350	2.900	3.100	3.300	3.400	3.400	3.400
Hanover	2.600	2.950	4.450	4.450	3.990	3.990	3.990	3.990	3.990	3.990
Jacobus	1.300	1.300	1.300	1.300	0.923	1.300	1.300	1.300	1.500	1.700
Jefferson	2.140	2.140	2.100	2.100	1.750	1.750	2.758	3.346	3.450	4.200
Lewisberry	1.000	1.000	1.000	1.000	0.800	0.800	0.800	0.800	0.800	1.300
Loganville	1.200	1.200	1.200	1.700	1.500	1.500	2.000	2.000	2.000	2.000
Manchester	1.650	1.650	2.650	2.650	2.150	2.150	2.150	2.150	2.150	2.150
Mount Wolf	1.900	2.400	3.500	3.500	2.900	2.900	2.900	2.900	2.900	2.900
New Freedom	0.830	0.830	0.830	0.830	0.660	0.700	0.750	0.810	0.850	0.910
New Salem	0.355	0.855	1.100	1.100	0.850	0.850	0.850	0.850	0.850	0.850
North York	2.500	3.500	3.500	3.500	3.210	3.710	3.710	4.710	4.710	5.500
Railroad	0.600	0.600	0.900	0.900	0.690	0.690	0.690	0.690	0.690	0.690
Red Lion	2.660	2.660	3.560	3.560	3.173	3.350	3.700	3.700	4.200	4.200
Seven Valleys	0.425	0.425	0.425	0.425	0.349	0.600	0.600	0.600	0.600	1.200
Shrewsbury	1.070	1.070	1.600	1.600	1.200	1.200	1.420	1.500	1.500	1.700
Spring Grove	1.590	2.590	2.590	2.590	2.340	2.340	2.340	2.840	2.840	2.840
Stewartstown	2.400	2.400	2.400	3.300	2.720	2.720	2.850	2.850	2.850	2.850
Wellsville	0.500	0.500	0.500	0.500	0.420	0.420	0.420	0.420	0.420	0.420
West York	2.690	3.190	3.190	4.490	3.900	4.900	4.900	4.900	5.500	6.500
Windsor	1.117	1.117	1.117	1.517	1.261	1.261	1.261	1.500	1.423	1.723
Winterstown	0.850	0.850	0.850	0.850	0.850	0.850	0.850	0.850	0.850	0.850
Wrightsville	0.870	0.870	2.100	2.100	1.610	2.290	2.290	2.690	3.090	3.090
Yoe	1.153	1.153	1.153	1.153	0.914	1.914	2.955	2.955	2.955	3.455
York Haven	3.600	3.600	3.600	3.600	3.000	3.000	3.000	4.000	4.000	4.000
Yorkana	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250

SOURCE: Assessment Office

COUNTY OF YORK, PENNSYLVANIA
Property Tax Rates
Direct and Overlapping Governments (Continued)
Last Ten Fiscal Years

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Townships										
Carroll	0.430	1.430	1.430	1.430	1.120	1.120	1.120	1.620	1.620	1.620
Chanceford	0.240	0.240	0.240	0.360	0.300	0.300	0.300	0.300	0.300	0.300
Codorus	0.550	0.550	0.550	0.550	0.420	0.420	0.420	0.420	0.600	0.600
Conewago	1.150	1.150	1.260	1.300	1.300	1.300	1.450	1.450	1.450	1.450
Dover	1.000	1.000	1.000	1.000	0.828	0.828	1.000	1.000	1.000	1.000
East Hopewell	0.590	0.590	0.590	0.590	0.430	0.430	0.430	0.430	0.430	0.430
East Manchester	1.150	1.150	1.150	1.150	1.040	1.040	1.040	1.040	1.040	1.040
Fairview	1.036	1.036	1.178	1.198	1.077	1.396	1.600	1.600	1.600	1.600
Fawn	0.650	0.650	0.650	0.650	0.470	0.470	0.470	0.470	0.470	0.470
Franklin	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200
Heidelberg	1.200	1.200	1.200	1.500	1.200	1.200	1.500	1.500	1.500	1.500
Hellam	1.500	1.500	1.800	1.800	1.606	1.800	1.800	1.800	1.800	1.800
Hopewell	0.290	0.290	0.290	0.290	0.210	0.210	0.210	0.210	0.210	0.210
Jackson	0.350	0.350	0.350	1.200	0.950	0.950	0.950	0.950	0.950	0.950
Lower Chanceford	0.600	0.600	0.700	0.700	0.600	0.650	0.700	0.750	0.770	0.800
Lower Windsor	0.000	0.000	0.000	0.000	1.000	1.000	1.000	1.000	1.000	0.750
Manchester	1.240	1.240	1.240	1.240	1.000	1.000	1.000	1.000	1.000	1.000
Manheim	1.000	1.000	1.250	1.250	1.000	1.000	1.000	1.100	1.100	1.100
Monaghan	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900
Newberry	0.450	0.450	0.450	1.500	1.290	1.790	1.790	1.790	1.790	1.790
North Codorus	0.175	0.500	0.500	0.500	0.443	0.750	1.000	1.000	1.500	2.450
North Hopewell	0.335	0.335	0.335	0.335	0.272	0.272	0.272	0.272	0.272	0.272
Paradise	1.000	1.100	1.400	1.700	1.900	1.900	1.900	1.900	1.900	1.900
Peach Bottom	0.500	0.500	0.500	0.500	0.470	0.470	0.470	0.470	0.470	0.470
Penn	2.500	2.500	2.500	2.300	1.990	1.990	1.990	2.300	2.950	3.200
Shrewsbury	0.090	0.090	0.090	0.090	0.074	0.074	0.074	0.074	0.074	0.074
Spring Garden	2.050	2.450	2.850	2.850	2.440	2.440	2.440	2.440	2.440	2.440
Springettsbury	0.727	1.077	1.077	1.077	0.870	0.870	0.870	0.870	0.870	0.870
Springfield	0.330	0.330	0.330	0.330	0.260	0.260	0.260	0.300	0.300	0.300
Warrington	0.280	0.280	0.280	0.280	0.210	0.210	0.210	0.210	0.210	0.210
Washington	0.450	0.450	0.450	0.450	0.400	0.400	0.450	0.450	0.450	0.450
West Manchester	0.358	0.358	0.358	0.250	0.214	0.214	0.214	0.214	0.214	0.214
West Manheim	2.700	2.700	2.700	2.700	2.000	2.000	2.100	2.100	2.390	2.390
Windsor	0.320	0.320	0.320	0.600	0.500	0.500	0.600	0.600	0.600	0.600
York	0.700	0.800	0.800	0.700	0.600	0.600	0.600	0.700	0.700	0.700

SOURCE: Assessment Office

COUNTY OF YORK, PENNSYLVANIA
Principal Property Taxpayers
December 31

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
ES 3 York LLC	\$ 115,106,330	1	0.43%			
York Galleria LLP	58,644,090	2	0.22%			
Church & Dwight Co Inc	36,870,190	3	0.14%			
Homewood at Hanover PA Inc	36,537,790	4	0.14%			
Equity Industrial A York LLC	34,530,943	5	0.13%			
Delco Plaza I L P	27,509,680	6	0.10%			
OSS Realty Company	26,174,340	7	0.10%			
Harley Davidson Motor Company	26,000,000	8	0.10%			
Yorkkat Realty LLP	25,500,000	9	0.10%			
P R Financing LTD	25,237,750	10	0.09%			
Exelon Generation Co. LLC				\$ 305,066,630	1	1.71%
Crown American Financing Partnership				60,874,010	2	0.34%
York Galleria LLP				45,759,390	3	0.26%
ES 3 York LLC				37,557,470	4	0.21%
Kinsley Equities II				32,167,510	5	0.18%
The York Development, LP				23,128,410	6	0.13%
Wellspan Healthcare Services				22,790,180	7	0.13%
Edens & Avant Financing				22,464,120	8	0.13%
ISTAR GT LP				21,512,960	9	0.12%
Fenton LLC				20,000,000	10	0.11%
Total	<u>\$ 412,111,113</u>		<u>1.55%</u>	<u>\$ 591,320,680</u>		<u>3.32%</u>

Source: County Assessment Office

County of York, Pennsylvania

Real Estate Taxes Levied and Collected

Last Ten Years
(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 57,663,623	\$ 53,845,638	93.38%	\$ 3,033,498	\$ 56,879,136	98.64%
2003	79,070,273	73,731,064	93.25%	2,658,280	76,389,344	96.61%
2004	80,986,732	74,193,793	91.61%	3,895,781	78,089,574	96.42%
2005	89,495,987	84,102,299	93.97%	2,728,895	86,831,194	97.02%
2006	93,965,893	90,551,553	96.37%	2,836,599	93,388,152	99.39%
2007	99,298,832	95,589,866	96.26%	3,180,801	98,770,667	99.47%
2008	104,176,402	95,136,200	91.32%	2,437,937	97,574,137	93.66%
2009	108,549,695	100,423,781	92.51%	3,403,533	103,827,314	95.65%
2010	110,058,789	101,302,412	92.04%	3,479,613	104,782,025	95.21%
2011	111,162,049	102,604,108	92.30%	-	102,604,108	92.30%

SOURCE:
Annual Reports of York County Controller

COUNTY OF YORK, PENNSYLVANIA

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities			Primary Government	Personal Income	Per Capita
	General Obligation Debt		General Obligation Debt	Capital Leases				
2002	\$ 92,495,000	\$	-	\$	-	\$ 92,495,000	0.94%	\$ 237.65
2003	126,335,000		-		-	126,335,000	1.10%	320.18
2004	119,960,000		-		-	119,960,000	0.99%	300.81
2005	118,175,512		-		-	118,175,512	0.91%	289.08
2006	146,806,565		43,988,347		-	190,794,912	1.37%	458.29
2007	156,941,190		37,392,705	783,437		195,117,332	1.33%	463.41
2008	172,580,594		50,536,704	599,357		223,716,655	1.49%	536.70
2009	189,829,219		51,790,122	407,638		242,026,979	1.58%	564.25
2010	188,066,334		50,258,666	207,962		238,532,962	1.50%	548.39
2011	191,141,023		48,634,383	-		239,775,406	1.50%	547.41

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

COUNTY OF YORK, PENNSYLVANIA

Ratio of General Obligation Debt to Assessed Value of Real Estate
and General Obligation Debt Per Capita - Last Ten Years

(Dollars in Thousands)

(Except Population and Debt Per Capita)

Fiscal Year	(1) Population	(2) (3) (5) Assessed Value	(4) General Obligation Debt	Ratio of General Obligation Debt to Assessed Value	General Obligation Debt Per Capita
2002	389,209	17,857,775	92,495	0.52%	237.65
2003	394,581	18,317,323	126,335	0.69%	320.18
2004	398,788	18,811,349	119,960	0.64%	300.81
2005	408,801	19,342,530	118,176	0.61%	289.08
2006	416,322	24,440,005	190,795	0.78%	458.29
2007	421,049	25,329,171	194,334	0.77%	461.55
2008	416,839	25,713,041	223,117	0.87%	535.26
2009	428,937	26,116,496	241,619	0.93%	563.30
2010	434,972	26,480,384	238,325	0.90%	547.91
2011	438,017	26,726,626	239,775	0.90%	547.41

NOTES:

(1) www.ycedc.org

(2) County Board of Assessment

(3) Does not include Exempt and Utility assessments.

(4) Annual Reports of York County Controller

(5) In 2006, a County-wide reassessment took effect.

COUNTY OF YORK, PENNSYLVANIA
Direct and Overlapping Governmental Activities Debt
As of December 31, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
School Districts			
Central York	\$76,110,000	100%	\$76,110,000
Dallastown Area	89,766,293	100%	89,766,293
Dover Area	58,085,000	100%	58,085,000
Eastern York	52,454,300	100%	52,454,300
Hanover Public	30,215,000	100%	30,215,000
Northeastern	79,805,000	100%	79,805,000
Northern	34,818,000	100%	34,818,000
Red Lion Area	88,645,000	100%	88,645,000
South Eastern	33,761,000	100%	33,761,000
South Western	29,180,000	100%	29,180,000
Southern	47,680,000	100%	47,680,000
Spring Grove Area	90,870,000	100%	90,870,000
West York Area	16,745,000	100%	16,745,000
York City	134,065,000	100%	134,065,000
York Suburban	44,595,000	100%	44,595,000
West Shore*	63,358,790	45%	28,511,456
Other Schools			
York Co School of Tech	36,030,000	100%	36,030,000
City			
York	137,985,000	100%	137,985,000

Source: Each individual governmental unit

Note 1 - Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each governmental unit.

* West Shore Area School District partially resides in York and Cumberland Counties. The percentage of overlapping debt is estimated using taxable square miles. Applicable percentages were estimated by dividing the portion the taxable square miles within the Counties boundaries for the school district by the total taxable square miles for the school district.

COUNTY OF YORK, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt (Continued)
As of December 31, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Boroughs			
Cross Roads	0	100%	0
Dallastown	0	100%	0
Delta	0	100%	0
Dillsburg	77,682	100%	77,682
Dover	4,245,390	100%	4,245,390
East Prospect	0	100%	0
Fawn Grove	0	100%	0
Felton	907,219	100%	907,219
Franklintown	0	100%	0
Glen Rock	0	100%	0
Goldsboro	0	100%	0
Hellam	0	100%	0
Hanover	40,299,476	100%	40,299,476
Jacobus	0	100%	0
Jefferson	150,016	100%	150,016
Lewisberry	0	100%	0
Loganville	0	100%	0
Manchester	6,032,004	100%	6,032,004
Mount Wolf	2,838,590	100%	2,838,590
New Freedom	1,172,996	100%	1,172,996
New Salem	3,287,800	100%	3,287,800
North York	93,662	100%	93,662
Railroad	42,321	100%	42,321
Red Lion	17,339	100%	17,339
Seven Valleys	116,409	100%	116,409
Shrewsbury	272,511	100%	272,511
Spring Grove	561,621	100%	561,621
Stewartstown	354,747	100%	354,747
Wellsville	0	100%	0
West York	0	100%	0
Windsor	367,335	100%	367,335
Winterstown	0	100%	0
Wrightsville	0	100%	0
Yoe	0	100%	0
York Haven	0	100%	0
Yorkana	0	100%	0

Source: Each individual governmental unit

Note 1 - Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each governmental unit.

COUNTY OF YORK, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt (Continued)
As of December 31, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Townships			
Carroll	981,486	100%	981,486
Chanceford	0	100%	0
Codorus	0	100%	0
Conewago	0	100%	0
Dover	25,303,696	100%	25,303,696
East Hopewell	43,026	100%	43,026
East Manchester	8,870,595	100%	8,870,595
Fairview	10,930,581	100%	10,930,581
Fawn	81,319	100%	81,319
Franklin	0	100%	0
Heidelberg	0	100%	0
Hellam	1,371,721	100%	1,371,721
Hopewell	0	100%	0
Jackson	84,254	100%	84,254
Lower Chanceford	0	100%	0
Lower Windsor	165,552	100%	165,552
Manchester	7,000,283	100%	7,000,283
Manheim	27,750	100%	27,750
Monaghan	0	100%	0
Newberry	11,555,000	100%	11,555,000
North Codorus	1,387,496	100%	1,387,496
North Hopewell	0	100%	0
Paradise	383,196	100%	383,196
Peach Bottom	0	100%	0
Penn	19,110,374	100%	19,110,374
Shrewsbury	625,000	100%	625,000
Spring Garden	960,577	100%	960,577
Springettsbury	25,955,000	100%	25,955,000
Springfield	11,922,483	100%	11,922,483
Warrington	0	100%	0
Washington	0	100%	0
West Manchester	810,000	100%	810,000
West Manheim	11,270,000	100%	11,270,000
Windsor	445,000	100%	445,000
York	6,405,000	100%	6,405,000
Subtotal, overlapping debt			1,315,847,556
County of York direct debt			191,141,023
Total direct and overlapping debt			<u>\$1,506,988,579</u>

Source: Each individual governmental unit

Note 1 - Method to calculate overlapping debt is the percentage applicable multiplied by the total debt reported by each governmental unit.

COUNTY OF YORK, PENNSYLVANIA
Computation of Legal Debt Margin
Last Ten Fiscal Years

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Borrowing Base Revenues					
Two years prior	\$106,426,544	\$125,324,948	\$233,374,047	\$255,046,694	\$272,355,249
Prior year	125,324,948	134,955,914	255,046,694	272,355,249	302,994,515
Current year	134,955,914	144,764,478	272,355,249	302,994,515	323,719,025
Total Revenues	<u>\$366,707,406</u>	<u>\$405,045,340</u>	<u>\$760,775,990</u>	<u>\$830,396,458</u>	<u>\$899,068,789</u>
Debt Limit For General Obligation Bonds					
Average borrowing base revenues	\$122,235,802	\$135,015,113	\$253,591,997	\$276,798,819	\$299,689,596
Debt limit percentage	x 300%	x 300%	x 300%	x 300%	x 300%
Debt limit	366,707,406	405,045,339	760,775,991	830,396,457	899,068,788
Total outstanding bonded debt	92,495,000	126,335,000	119,960,000	118,175,512	190,794,912
Legal Debt Margin	<u>\$274,212,406</u>	<u>\$278,710,339</u>	<u>\$640,815,991</u>	<u>\$712,220,945</u>	<u>\$708,273,876</u>
Total outstanding bonded debt	25.22%	31.19%	15.77%	14.23%	21.22%
as a percentage of debt limit					
Debt Limit For General Obligation Bonds and Lease Rental Debt					
Average borrowing base revenues	\$122,235,802	\$135,015,113	\$253,591,997	\$276,798,819	\$299,689,596
Debt limit percentage	x 400%	x 400%	x 400%	x 400%	x 400%
Debt limit	488,943,208	540,060,452	1,014,367,988	1,107,195,276	1,198,758,384
Total amount of debt applicable to debt limit	92,495,000	126,335,000	119,960,000	118,175,512	190,794,912
Legal Debt Margin	<u>\$396,448,208</u>	<u>\$413,725,452</u>	<u>\$894,407,988</u>	<u>\$989,019,764</u>	<u>\$1,007,963,472</u>
Total amount of debt applicable to debt limit	18.92%	23.39%	11.83%	10.67%	15.92%
as a percentage of debt limit					

COUNTY OF YORK, PENNSYLVANIA
Computation of Legal Debt Margin (Continued)
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
Borrowing Base Revenues				
Two years prior	\$302,994,515	\$323,719,025	\$340,911,374	\$347,460,500
Prior year	323,719,025	340,911,374	347,460,500	347,077,609
Current year	340,911,374	347,460,500	347,077,609	334,966,358
Total Revenues	<u>\$967,624,914</u>	<u>\$1,012,090,899</u>	<u>\$1,035,449,483</u>	<u>\$1,029,504,467</u>
				<u>\$1,011,718,068</u>
Debt Limit For General Obligation Bonds				
Average borrowing base revenues	\$322,541,638	\$337,363,633	\$345,149,828	\$343,168,156
Debt limit percentage	x 300%	x 300%	x 300%	x 300%
Debt limit	<u>967,624,914</u>	<u>1,012,090,899</u>	<u>1,035,449,484</u>	<u>1,029,504,468</u>
Total outstanding bonded debt	194,333,895	223,117,298	241,619,341	238,325,000
Legal Debt Margin	<u>\$773,291,019</u>	<u>\$788,973,601</u>	<u>\$793,830,143</u>	<u>\$791,179,468</u>
Total outstanding bonded debt as a percentage of debt limit	20.08%	22.05%	23.33%	23.15%
				23.70%
Debt Limit For General Obligation Bonds and Lease Rental Debt				
Average borrowing base revenues	\$322,541,638	\$337,363,633	\$345,149,828	\$343,168,156
Debt limit percentage	x 400%	x 400%	x 400%	x 400%
Debt limit	<u>1,290,166,552</u>	<u>1,349,454,532</u>	<u>1,380,599,312</u>	<u>1,372,672,624</u>
Total amount of debt applicable to debt limit	195,117,332	223,716,655	242,026,979	238,532,962
Legal Debt Margin	<u>\$1,095,049,220</u>	<u>\$1,125,737,877</u>	<u>\$1,138,572,333</u>	<u>\$1,134,139,662</u>
Total amount of debt applicable to debt limit as a percentage of debt limit	15.12%	16.58%	17.53%	17.38%
				17.77%

COUNTY OF YORK, PENNSYLVANIA

Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income \$000</u>	<u>Per Capita Personal Income (1)</u>	<u>Public School Enrollment (2)</u>	<u>Local Unemployment Rate (3)</u>
2002	389,209	9,869,562	25,358	65,177	5.6%
2003	394,581	11,441,271	28,996	65,821	4.8%
2004	398,788	12,068,122	30,262	66,520	4.6%
2005	408,801	12,922,608	31,611	67,325	4.7%
2006	416,322	13,904,322	33,398	66,642	3.2%
2007	421,049	14,681,137	34,868	67,853	3.6%
2008	416,839	15,008,288	36,005	67,318	4.8%
2009	428,937	15,281,738	35,627	67,075	9.2%
2010	434,972	15,856,034	36,453	66,646	7.9%
2011	438,017	15,987,621	36,500	65,957	7.1%

(1) US Department of Commerce, Bureau of Economic Analysis, Office of Regional Economic Accounts

(2) Aggregated from information provided by each school district in York County

(3) US Bureau of Labor Statistics

COUNTY OF YORK, PENNSYLVANIA

Principal Employers

December 31, 2011

Employer (1)	Employees	Percentage of Total County Employment
York Hospital	8,500	4.09%
Federal Government	3,444	1.66%
York County	2,542	1.22%
Giant Food Stores LLC	2,318	1.11%
Wal-Mart Associates, Inc.	1,902	0.91%
BAE Systems	1,720	0.83%
UTZ Quality Foods, Inc.	1,368	0.66%
Kinsley Construction, Inc.	1,320	0.63%
Harley-Davidson Motor Company	1,200	0.58%
Hanover General Hospital	<u>771</u>	<u>0.37%</u>
Total	<u>25,085</u>	<u>12.07%</u>
Total Employees in County (2)	207,900	

Note: Information on principal employers for 2002 was not available

Source: (1) PA Department of Labor and Industry; Center for Workforce Information and Analysis.
(2) www.paworkstat.state.pa.us

COUNTY OF YORK, PENNSYLVANIA

Employees by Function/Program Last Ten Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund Departments										
Commissioners	9	9	10	9	11	8	9	7	6	6
Solicitor	2	2	2	2	2	3	3	3	3	3
Maintenance	43	41	41	41	54	44	42	41	41	41
Voter Registration	9	9	8	10	10	10	9	8	7	7
Assessment	34	34	36	37	37	37	33	30	28	28
Weights & Measures	2	2	2	2	2	2	2	1	1	1
Treasurer	8	8	9	10	8	10	10	10	10	9
Payroll	4	3	3	3	3	3	3	3	3	3
Controller	13	15	14	14	14	15	15	13	13	12
Training	-	-	-	-	2	2	-	-	-	-
Recorder of Deeds	14	16	16	15	15	14	15	14	12	11
Telephone & Mail Room	2	3	3	3	3	3	3	3	3	3
Information Services	21	20	20	19	20	21	20	21	19	19
Print Shop	1	1	1	1	1	-	-	-	-	-
Public Relations	-	-	-	-	-	-	-	-	1	1
Purchasing	2	2	2	3	3	3	3	3	3	3
Risk Management	2	3	3	3	3	2	2	2	2	2
Archives	5	5	6	6	7	7	7	7	7	7
Conservation District	14	14	14	14	15	16	16	16	16	15
Human Resources	9	9	8	7	8	9	10	10	8	10
Center for Highway Safety	3	4	4	4	4	4	4	4	4	4
Ag Land Preservation	2	2	2	2	3	4	4	3	3	3
Juvenile Probation	134	59	60	66	64	64	63	63	62	61
Adult Probation	-	78	81	90	83	93	92	92	98	98
Youth Development Center	46	52	51	51	44	54	64	50	41	37
Facilities Management	-	-	-	4	4	4	3	2	2	2
Prison	390	386	391	390	394	411	439	472	469	489
Register of Wills	10	9	10	10	10	9	10	9	9	9
Sheriff	78	83	91	95	106	104	106	105	104	104
Coroner	5	5	5	5	5	5	5	5	5	5
Prothonotary	23	25	23	24	26	26	28	27	28	28
Clerk of Courts	27	25	30	35	42	44	43	39	41	39
Public Defender	22	22	25	27	32	31	31	32	32	33
District Attorney	66	67	70	73	79	79	76	72	75	78
Criminal Response Unit	-	-	-	-	-	-	6	13	14	14
Court Administration	85	90	100	105	114	115	115	98	101	94
District Magistrates	83	82	85	88	89	89	88	94	88	91
Emergency Services	1	1	1	1	1	1	1	1	1	1
Divorce Masters	5	5	5	5	4	4	4	4	4	4
Emergency Management	4	6	7	7	7	7	7	7	6	6
Veterans	4	4	4	5	5	5	6	6	6	6
Parks	59	42	35	46	54	51	48	46	48	49
Fleet Management	-	-	-	-	4	4	4	4	4	4
Penn State Cooperative	9	11	11	10	11	12	12	10	10	10
Total General Fund Departments	1,250	1,254	1,289	1,342	1,403	1,429	1,461	1,450	1,438	1,450
Non General Fund Departments										
Human Services	7	7	7	6	10	11	11	10	10	13
Drug & Alcohol	13	12	11	12	13	12	12	9	11	12
MH/MR	106	115	118	116	123	130	134	131	134	131
Community Service	5	3	4	3	-	-	-	-	-	-
HealthChoices	4	4	5	5	4	6	7	6	7	7
Children & Youth	134	139	142	135	137	138	132	130	136	141
Nursing Home	505	525	502	515	506	516	530	520	527	524
911	75	77	81	104	94	103	115	115	125	131
Domestic Relations	82	79	78	77	75	79	74	69	68	64
Aging	58	62	63	60	60	60	63	63	68	69
Total Non General Fund Departments	989	1,023	1,011	1,033	1,022	1,055	1,078	1,053	1,086	1,092
Total	2,239	2,277	2,300	2,375	2,425	2,484	2,539	2,503	2,524	2,542

Source: York County Payroll System

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function

Last Ten Years

Function	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government										
Fiscal Affairs										
Deeds recorded	9,673	10,201	10,694	11,577	14,182	16,018	17,021	16,577	15,976	14,777
Mortgages recorded	17,725	19,344	24,034	24,657	32,217	38,079	39,064	39,140	48,187	37,314
Land Development Plans	164	236	278	380	453	559	567	536	563	545
Dwelling Units Planned	618	714	1,195	858	1,788	3,273	4,898	3,948	5,112	2,940
New Construction Permits	665	891	1,083	1,375	1,899	2,679	3,064	2,688	2,931	2,761
Administration										
General election information										
Registered voters	269,020	268,107	264,161	299,412	278,994	275,251	266,880	264,134	240,218	231,954
Votes cast	39,165	132,341	50,337	197,132	58,910	128,119	56,042	181,678	59,976	101,349
Percent of votes cast	14.6%	49.4%	19.1%	65.8%	21.1%	46.5%	21.0%	68.8%	25.0%	43.7%
Coroner										
Cases	490	471	477	449	443	437	432	490	447	484
Autopsies	61	52	90	81	90	76	74	66	63	64
Court System and Corrections										
Court Administration										
Estates & wills probated	2,113	1,903	1,945	1,892	1,773	1,403	1,383	1,418	1,292	1,413
Petition for Adoption	108	128	144	165	145	140	172	165	156	183
Petition for termination or relinquishment	88	120	142	213	203	206	200	172	186	237
Marriage applications	2,309	2,186	2,170	2,352	2,240	2,406	2,371	2,350	2,189	2,352
Civil cases filed	5,089	6,876	6,635	6,373	4,776	4,419	2,890	3,894	5,790	6,246
Family cases filed	2,292	2,363	2,281	2,283	2,526	2,333	2,385	3,306	386	n/a
Municipal tax cases filed	9,593	8,827	1,545	1,300	1,039	1,118	1,240	1,024	1,048	1,193
Judgments filed	8,335	7,712	7,725	7,039	4,810	5,203	4,394	4,075	3,754	3,911
Administrative cases	40	41	35	28	23	35	40	2	n/a	n/a
Criminal cases	7,974	7,630	7,762	8,153	8,058	7,874	6,997	5,709	5,614	5,887
Juvenile cases	947	1,044	967	1,241	1,169	1,138	1,207	1,123	1,006	1,045
Miscellaneous cases	3,247	2,970	2,883	2,624	2,605	2,319	1,909	1,586	1,578	1,799
Summary appeals	521	651	596	550	548	473	472	428	411	464
Domestic relations active cases	14,465	14,345	14,495	15,363	16,077	16,699	17,084	17,035	17,125	17,015
Firearm permits issued	6,375	5,388	6,181	5,605	7,908	3,879	3,556	3,743	4,350	8,338
Probation										
Adult caseload	10,189	10,135	9,306	9,104	8,805	7,401	7,235	6,616	6,264	5,732
Juvenile referrals	1,637	1,925	2,003	2,264	2,389	2,148	2,198	2,378	2,426	2,287
Corrections										
Average daily population	2,378	2,316	2,256	2,253	2,134	2,036	1,833	1,831	1,778	1,916
Annual admissions	22,020	23,748	23,415	24,831	19,129	13,535	11,777	11,802	12,078	11,834
Pleasant Acres										
Nursing home beds	375	365	355	375	375	375	375	375	375	375
Independent living beds	32	32	32	32	32	32	32	32	32	32
Available bed days	136,875	133,225	129,575	137,250	136,875	136,875	136,875	137,250	136,875	136,875
Actual resident days	130,535	129,519	126,395	130,203	130,782	136,875	132,825	132,393	130,752	123,788
Percent occupancy	95.4%	97.2%	97.5%	94.9%	95.5%	100.0%	97.0%	96.5%	95.5%	90.4%

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Human Services										
Adult Services										
Housing	-	-	-	529	542	617	900	413	533	175
Emergency shelter	603	567	655	610	801	420	511	250	865	696
Information/referral	36,084	33,969	32,842	40,199	38,194	35,945	35,018	31,936	32,191	27,291
Adult/Children Services										
Bridge housing	122	114	105	135	137	150	158	129	115	111
Rental assistance	1,967	3,747	4,096	4,050	5,098	5,875	4,863	4,107	3,277	3,150
Emergency shelter	695	590	800	576	696	617	480	521	777	726
Individual shelter nights	13,392	11,470	12,568	10,754	10,630	10,706	10,223	8,606	2,462	11,650
Medical transportation	2,033	1,627	1,624	1,940	1,482	1,141	805	517	596	477
Area Agency on Aging										
Home delivered meals										
Meals served	113,503	102,508	123,816	145,811	136,420	143,568	136,980	134,407	129,154	125,168
Persons served	727	681	755	1,052	991	1,011	1,113	1,029	1,033	1,008
Congregate meals										
Meals served	149,672	106,314	81,188	78,565	83,966	89,479	84,543	78,968	79,166	88,440
Persons served	3,307	2,748	1,829	1,751	1,846	1,846	1,667	1,757	1,712	1,744
Transportation										
Trips	76,117	81,256	94,248	110,764	104,884	108,600	104,718	101,136	105,867	117,152
Persons served	n/a	n/a	n/a	n/a	n/a	4,310	4,498	3,645	3,235	3,007
Children & Youth Services										
Children served	8,601	7,871	7,810	8,483	8,622	8,619	8,277	8,219	8,605	9,798
Placement days	176,605	178,998	238,011	272,312	282,924	249,118	249,736	253,595	239,379	235,628
Child abuse reports	1,146	1,113	1,093	1,098	996	982	904	775	808	858
Mental Health										
Emergency/Crisis										
intervention hours	22,674	23,679	25,144	24,710	20,754	20,210	19,223	19,252	22,364	21,793
Community treatment team hrs	2,001	2,259	4,393	4,393	n/a	n/a	n/a	n/a	n/a	n/a
Community residential days	29,950	29,235	25,672	27,364	27,859	19,824	20,432	19,073	17,720	20,796
Community employment hours	1,218	10,674	8,126	9,152	10,575	8,165	6,119	6,327	6,229	8,812
Community vocational rehab hours	78,006	60,111	58,797	56,100	56,804	54,938	58,077	59,025	60,665	57,897
Service case management hours	55,308	59,719	58,071	54,696	51,406	51,959	47,494	47,056	43,511	35,679
Day treatment hours	5,492	2,779	4,462	4,906	4,559	2,289	4,450	4,981	2,800	5,684
Psychiatric outpatient hours	35,012	33,698	36,786	37,322	36,041	34,733	29,483	23,494	30,969	33,013
Social rehab hours	55,633	60,466	56,870	58,861	54,830	55,991	52,902	46,144	35,772	40,510
Family based support hours	8,818	7,448	11,388	9,744	7,480	5,525	4,977	5,575	5,306	5,483
Housing support days	17,151	17,029	18,044	18,135	21,047	17,145	14,168	16,878	11,921	10,860
Psychiatric inpatient days	297	223	161	109	234	293	98	363	65	200
Mental Retardation										
Community hab (ADT) hours	290,701	249,633	117,596	87,742	76,749	113,169	83,871	142,957	140,154	134,292
Vocational rehabilitation hours	420,703	477,567	250,802	197,655	195,359	294,772	213,771	202,109	190,446	198,746
Supported employment hours	4,059	10,861	7,795	7,957	7,923	14,774	14,514	17,528	20,541	19,862
Home & community hab hours	633,952	561,968	327,312	278,730	252,436	184,155	178,064	n/a	n/a	n/a
Respite service hours	64,439	51,145	60,588	52,201	61,187	n/a	n/a	n/a	n/a	n/a
Specialized treatment hours	2,835	15	23,744	23,602	18,919	n/a	n/a	n/a	n/a	n/a
Transportation	11,434	7,936	7,773	7,437	7,414	7,198	6,999	6,952	6,829	6,504
Early intervention clients	1,420	1,405	1,348	1,322	1,324	1,360	1,246	1,135	1,044	951
Family support clients	271	314	228	238	292	611	582	571	543	542
Residential clients	416	409	632	618	627	609	591	579	569	553
Drug & Alcohol										
Intake evaluations	4,549	6,681	2,180	2,258	1,507	1,494	1,297	1,459	806	779
Inpatient treatment clients	615	160	242	535	902	393	459	328	1,537	406
Detoxification days	2,279	2,151	2,346	1,864	1,904	835	1,343	515	1,537	1,207
Methadone visits	4,207	447	734	553	651	574	512	837	737	605
Outpatient hours	21,236	33,460	24,860	21,908	19,689	3,723	9,862	16,224	7,005	7,534

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Human Services (continued)										
York HealthChoices										
Ancillary										
Members	297	370	181	68	88	83	72	1,530	53	18
Units	2,141	2,636	1,113	386	477	512	586	3,282	274	206
BHRS										
Members	1,881	1,697	1,637	1,401	1,320	1,223	1,088	948	851	795
Units	1,431,605	1,352,969	1,264,062	1,112,149	1,083,439	990,092	1,029,126	913,124	591,111	500,838
Community supports										
Members	1,963	2,052	1,864	1,465	1,440	1,577	1,340	1,040	883	646
Units	267,819	263,560	260,020	247,277	263,603	245,345	227,703	198,918	132,422	50,632
Inpatient drug & alcohol										
Members	14	10	14	14	18	17	14	12	13	23
Units	130	100	145	166	213	143	122	77	56	159
Inpatient mental health										
Members	836	860	845	699	717	724	565	531	526	392
Units	10,397	12,149	11,494	9,778	10,070	10,321	8,294	7,792	6,353	4,475
Non-hospital drug & alcohol										
Members	778	743	668	460	385	343	274	213	199	130
Units	29,455	31,449	24,575	17,066	15,056	10,740	7,721	6,129	5,901	2,946
Other services										
Members	749	639	497	329	194	227	106	164	20	15
Units	149,615	132,878	130,269	90,553	56,322	44,401	6,446	4,723	1,198	1,408
Outpatient drug & alcohol										
Members	1,168	1,260	1,250	1,093	711	732	593	522	401	246
Units	33,501	32,896	30,287	17,427	11,110	16,996	11,708	7,497	5,197	3,192
Outpatient mental health										
Members	9,934	9,583	9,056	7,997	7,000	6,415	5,536	4,540	4,391	3,406
Units	219,743	236,030	244,809	212,434	202,660	169,647	148,066	128,667	152,028	96,771
RTF accredited										
Members	107	103	134	180	215	188	169	122	86	83
Units	19,383	17,581	24,097	33,036	38,418	169,647	148,066	128,667	152,028	96,771
RTF non-accredited										
Members	14	19	21	20	18	19	23	27	9	8
Units	29,008	3,182	3,737	3,734	2,726	2,191	2,535	3,433	1,358	805

COUNTY OF YORK, PENNSYLVANIA

Operating Indicators by Function (Continued)

Last Ten Years

Function	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Human Services (continued)										
Adams HealthChoices										
Ancillary										
Members	71	85	34	5	8	7	1	220	4	n/a
Units	799	1,140	154	28	50	34	4	475	20	n/a
BHRS										
Members	442	403	371	311	270	250	223	204	208	173
Units	387,364	361,269	374,450	278,591	243,382	211,977	221,953	264,246	164,081	133,406
Community supports										
Members	296	359	343	238	249	248	208	146	175	95
Units	51,994	49,943	49,714	45,500	53,551	51,063	32,626	19,863	15,230	8,881
Inpatient drug & alcohol										
Members	1	1	2	1	4	1	2	1	1	3
Units	2	20	18	8	80	13	12	7	3	37
Inpatient mental health										
Members	108	130	125	89	77	90	80	91	85	50
Units	1,350	2,074	1,910	1,872	1,197	1,654	1,310	1,366	1,197	636
Non-hospital drug & alcohol										
Members	109	111	99	61	57	56	29	30	22	16
Units	4,193	5,236	4,468	2,541	2,217	1,505	882	796	558	277
Other services										
Members	141	149	108	46	50	54	44	44	5	5
Units	10,016	10,609	5,017	3,384	3,633	4,420	2,572	3,084	606	395
Outpatient drug & alcohol										
Members	203	208	201	162	160	167	104	95	91	55
Units	4,034	4,717	2,899	2,111	2,527	3,884	2,497	1,665	1,495	1,112
Outpatient mental health										
Members	1,512	1,452	1,396	1,141	993	937	896	756	717	539
Units	32,713	38,407	30,483	26,645	16,998	22,200	20,933	16,517	19,548	11,815
RTF accredited										
Members	27	39	41	46	49	50	38	31	31	22
Units	3,602	6,060	7,884	8,917	7,968	8,826	5,643	4,829	4,790	2,352
RTF non-accredited										
Members	5	3	1	5	5	1	0	4	2	2
Units	935	289	128	683	772	52	0	381	62	148

Source: By reporting department.

n/a: Information not available.

COUNTY OF YORK, PENNSYLVANIA
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Fund										
<u>Corrections</u>										
Motor Vehicles										
Juvenile Probation	6	6	6	6	6	6	6	5	5	5
Adult Probation	4	4	4	4	5	5	5	4	4	3
Youth Development Center	1	1	1	1	1	1	1	1	2	3
Prison	12	13	13	13	13	13	13	13	13	15
Buildings	2	2	2	2	2	2	2	2	2	2
<u>Cultural and Recreation</u>										
Motor Vehicles										
Parks	20	21	19	20	20	21	24	24	23	24
Number of Parks	8	8	9	9	9	10	10	10	10	10
Parks Acreage	3,991	3,991	4,070	4,070	4,070	4,261	4,261	4,261	4,261	4,261
Buildings	6	6	6	6	6	6	6	7	7	7
<u>General Government</u>										
Motor Vehicles										
Conservation District	8	8	9	9	9	9	9	9	9	9
Coroner	1	1	2	2	2	2	2	2	2	3
Fleet Management	0	0	0	5	6	5	6	6	6	9
Highway Safety	1	1	1	1	1	1	1	1	1	1
Human Resources	1	1	1	1	1	0	0	0	0	0
Maintenance	3	3	3	4	4	5	5	5	5	5
Penn State Coop Extension	1	1	1	2	2	4	5	5	5	5
Weights and Measures	0	0	0	1	1	1	1	1	1	1
Buildings	4	4	5	5	4	4	4	4	4	4
<u>Health Education and Welfare</u>										
Motor Vehicles										
Aging	1	1	2	2	2	5	4	4	4	5
Children & Youth	8	11	13	15	13	13	13	13	13	14
MH/MR	2	2	2	2	2	2	2	2	2	2
Veterans Affairs	1	1	1	1	1	1	1	0	0	0
Buildings	2	2	2	2	2	2	2	2	1	1
<u>Judicial</u>										
Motor Vehicles										
District Attorney	7	8	8	9	10	12	12	12	12	11
Sheriff	11	18	22	25	28	29	32	31	31	34
Buildings	1	1	1	1	2	4	7	7	10	10
<u>Public Safety</u>										
Motor Vehicles										
Emergency Management	3	3	4	4	6	5	4	4	4	4
Emergency Services	0	0	1	1	1	1	1	1	1	1
<u>Road and Bridges</u>										
Motor Vehicles										
Liquid Fuels	4	5	5	5	5	4	5	5	5	5
Business Funds										
<u>County Nursing Home</u>										
Motor Vehicles	8	10	10	10	11	10	9	9	9	8
Buildings	1	1	1	1	1	1	1	1	1	1
<u>911 Fund</u>										
Motor Vehicles	3	3	3	3	4	7	7	7	7	7
Buildings	2	2	2	2	2	2	2	2	2	2

Source: York County Fixed Asset System

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